THE UNIVERSITY OF JORDAN
SERIALS DIVISION

Security Council maintains Iraq sanctions

UNITED NATIONS (AFP) — The Security Council decided Monday to keep U.N. sanctions on Iraq amid differences over progress Baghdad has made in cooperation with the United Nations in recent months. Lacking any agreement among its 15 members on a formula for a group position on Iraq's compliance with U.N. resolutions, the economic embargo slapped on Baghdad in August 1990 was renewed automatically, this month's council president, Jamsheed Marker of Pakistan, said after consultations. Several council member states, including China, Russia and France, again wanted the United Nations to acknowledge the strides Baghdad has made in compliance with U.N. resolutions on its disarmament. U.S. Ambassador Madeleine Albright, however, said it was too early for serious discussion on whether Iraq's intentions were peaceful. "Iraqi performance is both focused and defiant," Ms. Albright said. "It is focused on minimal compliance with council requirements on weapons of mass destruction, and h is defiant on virtually every other council requirement."

Jordan Times

An independent Arab political daily published by the Jordan Press Foundation

جوردان تايمز يومية سياسية تصدر بالانجليزية عن المؤسسة الصحفية الاردنية ،الرأي،

Kaddoumi arrives in Amman

AMMAN (J.T.) — A senior Palestine Liberation Organisation (PLO) official arrived in Amman on Monday to try to boost cooperation between Jordan and the Palestinians as they hold peace talks with Israel, the Jordan News Agency, Petra, said. Farouk Kaddoumi, head of the PLO's Political Deparment, arrived for a two-day visit as both Jordan and the PLO opened separate negotiations with Israel. It is Mr. Kaddoumi's first visit since the PLO signed a May 4 accord with Israel launching Palestinian self-rule in the Gaza Strip and Jericho." He stressed "the need to clarify certain unresolved questions before continuing bilateral cooperation" between Jordan and the PLO, Petra said. Expected to be discussed during Mr. Kaddoumi's stay here is the status of a draft accord that Jordan and the PLO prepared in May but unendorsed yet by the PLO leadership. The accord deals with Jordanian-Palestinian economic cooperation.

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Historic peace talks start in Wadi Araba

Israelis press for a peace treaty; Jordan says land and water rights first

From Nermeen Murad in Wadi Araba

JORDAN AND Israel launched historic talks here Monday in accelerated moves in the Middle East peace process and exchanged speeches reaffirming commitment to a negotiated settlement and living up to agreements, but little advance towards addressing the core issues was achieved as the day's negotiations drew to a close.

During two sessions of negotiations that started after ceremonial opening, the two sides ran into the perennial snag: Israel pushed its request to finalise a peace treaty as quickly as possible while Jordan insisted that the Kingdom's territorial and water rights be restored before discussing any treaties.

The fundamental difference in approach was clearly pronounced in comments made by Fayez Tarawneh, head of the Jordanian delegation, and Eliakim Rubinstein, his Israeli counterpart, after Monday's talks ended.

Mr. Rubinstein made no secret of his country's pursuit: "We are extremely eager to finalise negotiations and a treaty of peace as soon as possible ... it is a matter, I assume, of months."

Dr. Tarawneh, who headed the Kingdom's 26-member negotiated team to the talks held in an airconditioned tent straddling the borders, some 13 kilometres north of Aqaba and Eilat, was firm: "All problems between us have to be tackled, whether it takes one month

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See opening speeches on page 7

Jordanian chief delegate Fayez Tarawneh (right) and his Israeli counterpart Eliyakim Rubinstein shake hands at the start of Monday's negotiations in a tent in the Wadi Araba desert near Aqaba (AFP photo)

Jordan reaffirms rejection of unilateral settlements

By a Jordan Times Staff Reporter with agency dispatches

AMMAN — Jordan on Monday reiterated its rejection of separate solutions to the Middle East conflict under all circumstances and said coordination among the Arab parties to peace talks with Israel was of paramount importance.

The reiteration, made by Prime Minister Abdul Salam Majali, came against a backdrop of suggestions that the Kingdom, frustrated with the lack of coordination from its Arab partners in the peace process — Syria, Lebanon and the Palestinians — was moving ahead towards a peace accord with Israel.

The suggestions had gained strength after the announcement early this week that His Majesty King Hussein would meet with Israeli Prime Minister Yitzhak Rabin in Washington on July 25 in response to an invitation by the U.S., one of the co-sponsors of the peace process and that Syria was upset with the scheduled meeting and with the progress made in Jordanian-Israeli negotiations.

Jordan and Israel opened their first bilateral talks in the region on Monday.

Syrian President Hafez Al Assad has told the U.S. that he was unconcerned by the King's meeting with Mr. Rabin, American officials said Sunday.

A Syrian spokesman was quoted as saying that Damascus was also assured by U.S. President Bill Clinton that Washington was committed to seeking a "comprehensive solution" that takes into consideration Syrian concerns.

Dr. Majali, in a meeting with the Planning and Development Committee at the Ministry of Health, said that "there will be no separate solutions on Jordan's part under any circumstances" and "emphasised the importance of coordination among the concerned Arab parties" in the peace process, the Jordan News Agency, Petra said.

(Continued on page 7)

Zandani wants Islamic law in Yemen

SANAA (Agencies) — Islamic law must prevail in Yemen and socialists would be able to take part in the government provided they agreed to stick to such principles, a leading politician said Monday.

Sheikh Abdul Majid Zandani, a member of Yemen's Presidential Council and the supreme committee of the Islamic Islah Party, told journalists that the "application of Islamic law is very important to us."

He maintained the Yemen Socialist Party (YSP) led by southerner and former Vice-President Ali Salem Al Beidh "agreed to comply with Islamic law to join the coalition government with President Ali Abdullah Saleh's General People's Congress (GPC).

Months of tension in the ruling coalition finally erupted into civil war on May 4 between northern forces loyal to Mr. Saleh and those of his southern rival Beidh.

The war ended when northern troops captured the southern stronghold of Aden, which used to be the capital of the former Marxist South Yemen before it merged in May 1990 with the tribal, conservative North.

A referendum is expected to be held soon to decide on the new makeup of the government and replace key posts previously held by separatist southern leaders, under a project currently being discussed in Sanaa.

Islah is widely expected to gain ground following the south's defeat in the two-month war.

Mr. Zandani said a future Islamist Yemen would keep the country's constitution and a multi-party system.

He dismissed as unfair fears over the increasing influence of Islamists in Yemen's government, saying they resulted from Western stereotypes.

"There's no ideological difference between the coalition government and the Islah party. We both believe in applying Islamic law," he said.

Mr. Zandani said Islamic law and economic principles were as applicable now as they were when they were written.

"We are in a time of development and we have to be flexible. We need to take a

(Continued on page 6)

Christopher says Mideast conflict is nearing an end

TEL AVIV (Agencies) — U.S. Secretary of State Warren Christopher, saying the Middle East conflict was nearing an end, began a new shuttle on Monday to cement peace moves by Israel, Jordan and the Palestine Liberation Organisation (PLO) and speed a breakthrough with Syria.

"The Arab-Israeli conflict, one of the most long-standing and most intractable conflicts of this entire century, is drawing to an end," Mr. Christopher declared after talks with Israeli Prime Minister Yitzhak Rabin.

"There will be difficulties on the path ahead, but nonetheless we are proceeding to assist the parties and they are proceeding with great determination," he told reporters.

In a week-long tour, Mr. Christopher will visit Syria and Jordan as well as Israel and meet PLO leader Yasser Arafat.

Mr. Christopher's visit came amid a flurry of talks underlining the progress made since the Middle East peace drive got under way nearly three years ago.

In Cairo, Israelis and Palestinians began a new round of talks of self-rule in the West Bank. But violence on Sunday on the border between Israel and the Gaza Strip in which two Palestinians died overshadowed the talks.

"Yesterday was a reminder of the dangers," Mr. Rabin told journalists. "But we believe the prospects of achieving our goals are greater than the dangers."

One of the main thrusts of Mr. Christopher's trip will be to speed negotiations between Israel and Syria, deadlocked over the terms of an Israeli withdrawal from the Golan Heights.

The United States, which says it has received unspecified "concrete proposals" from both Israel and Syria, wants to see an agreement emerge by the end of this year.

"What we hope is that the pace can be picked up on the Israeli-Syrian track. Both parties are very serious.... and it's my hope that they are now poised to make progress on that track as well," Mr. Christopher told NBC television.

But Mr. Rabin pointed up the outstanding problems in the Golan talks, in which Israel is refusing to say how much land it will return until Syria commits itself to "full peace" including open borders, trade and an exchange of embassies. Syria insists on a complete withdrawal.

Blast at Jewish centre in Argentina kills at least 10

BUENOS AIRES (Agencies) — A powerful bomb blast levelled the headquarters of the Jewish charity here Monday, killing at least 10 people and injuring scores more, authorities said.

The seven-storey Jewish Mutual Association building in Buenos Aires' busy Once district collapsed in the blast, which destroyed several neighbouring buildings and badly damaged adjacent premises, police said.

No group immediately claimed responsibility for the blast, which came as a bloody reminder of the devastating bomb attack on the Israeli embassy here March 17, 1992, that killed 30 people and injured more than 200 others.

President Carlos Menem ordered tighter border controls to stop anyone responsible from leaving the country. All international flights scheduled to leave Buenos Aires' Metropolitano and Ezeiza airports Monday were cancelled.

Mr. Menem also immediately dispatched Legal and Technical Minister Carlos Corach to the scene, where ambulances, fire trucks and police units were crowded to attend to the emergency at the Jewish Mutual Association.

It provides social and medical assistance to the needy, organises sporting and cultural events and runs Jewish cemeteries and schools across the country.

Stunned neighbours, many of them in bloodied bedclothes, managed to get away from the area on foot.

Police were examining scraps of metal to try to identify what type of explosives were used, and trying to quiet the area, fearing many people may still be trapped in the rubble crying for help.

"Today, more than ever," Mr. Menem said, he was supporting the Jewish community, "not only in Argentina, but around the world."

"Does the person who is responsible for such a crime deserve to remain alive?" Mr. Menem asked. He is a staunch supporter of the death penalty for kidnappers and bombers.

Passengers who had already boarded planes were brought back to airport terminals while investigations were underway, reports said.

Self-rule negotiations resumed

CAIRO (Agencies) — Israel and the Palestine Liberation Organisation (PLO) started a new round of talks here Monday to discuss extending Palestinian self-rule on the West Bank, despite Sunday's violence in the Gaza Strip.

The head of the Israeli delegation, Danny Rothschild, said it was business "as usual" after clashes between workers and Israeli soldiers left two Palestinians dead and 75 people wounded on both sides.

It was the worst violence in the Gaza Strip since the launch of self-rule on May 4.

Palestinian delegate Zohdi Al Kodra called the clashes a "massacre" but said he hoped it would not have a "negative impact" on negotiations.

The PLO delegation was led by Nabil Qassis, replacing Nabil Shaath who stayed in Gaza to attend an emergency meeting of the Palestinian National Authority.

The meeting was called by PLO Chairman Yasser Arafat after the violence. Dr. Shaath is to arrive in Cairo on Tuesday.

Meanwhile, the Arab League's secretary general for Palestinian affairs, Said Kamal, said Monday he was "convinced that Israel wants to damage the peace process in the eyes of the Palestinians, by exploiting the suffering of the workers."

He told the pan-Arab assembly: "Israel's aim is to show the Palestinians are incapable of running their own affairs."

The Israeli-PLO committee discussing the transfer of civilian powers to the Palestinians met Monday to talk about education.

Under the terms of the May 4 autonomy accord which launched Palestinian self-rule in Gaza and Jericho, Palestinian education programmes should not include any elements which could provoke a hatred of Israel.

Israelis shoot 4 in Hebron as Gaza mourns its dead

HEBRON, Occupied West Bank (Agencies) — Israeli troops shot four Palestinians, seriously wounding one teenager, during clashes in the mosque massacre town of Hebron on Monday, witnesses said.

Trouble erupted after soldiers came under a hail of stones.

A bullet went straight through the 13-year-old boy's body from one side to the other, exiting under his right arm, the witnesses said.

The Gaza Strip and the West Bank went into mourning Monday as public services and shops shut down a day after soldiers shot dead two Palestinians and wounded 75 during violent protests.

The mourning strike was effective across the West Bank from Nablus in the north to Hebron in the south, as well as in east Jerusalem, correspondents reported.

The Palestinian National Authority (PNA) has set up an inquiry into the Gaza violence, a senior Palestine Liberation Organisation (PLO) official said Monday.

Chief PLO negotiator Nabil Shaath also said he would attend a high-level Israeli-Palestinian coordination committee that could meet in a week's time to discuss Sunday's incident at the Erez checkpoint between Israel and the Strip.

He told reporters he would work with Israeli Foreign Minister Shimon Peres to push for an early meeting of the committee.

Meanwhile, a lower-level joint Israeli-Palestinian security committee met Monday at Erez, Dr. Shaath said without giving further details.

"We will try, with the Israelis, to examine all the problems leading to the Erez tragedy," Dr. Shaath said.

"The Palestinian workers suffer too much at the crossing, they wait long hours and are humiliated."

Israel and the Palestinians have accused each other of being responsible for the violence. Some 24 Israelis were also hurt.

Israeli officials said the Palestinian workers who went on a rampage were enraged by labourious procedures at their own checkpoint.

But Palestinians said their police waved through the workers who were then humiliated or turned back by the Israeli border guards.

Syria and Palestinian groups on Monday condemned the killing of two Palestinian workers at the crossing point.

The Islamic Resistance Movement, Hamas, urged Palestinians to escalate their uprising against Israel and vowed to avenge the killings.

"The Gaza incidents show that Israel will not give up its repressive actions against the Palestinian people. It shows that Israel is not even respecting its limited self-rule deal with the Palestinians," a Syrian spokesman said.

A Hamas spokesman

(Continued on page 12)

Israel curbs PLO in Jerusalem

TEL AVIV (AFP) — The Israeli cabinet on Monday approved plans to outlaw "unauthorised governmental" activity by the Palestinians in Jerusalem with fines of up to $30,000 and a year in prison, officials said.

"It is not acceptable for a foreign country or foreign organisation to carry out activities on the sovereign soil of a state without permission," Justice Minister David Libai told reporters after the cabinet vote.

"The bill stipulates that all government activity by the PLO or the autonomous Palestinian authority will require prior authorisation."

Under the draft law, any ceremony or demonstration would also have to be authorised in advance by Israeli authorities. Police would be able to present confidential information in closed court hearings without having to reveal their sources.

The majority of the cabinet voted in favour, although some left-wing ministers were against and Mr. Libai himself voiced certain reservations, the officials, said. The bill will not go to parliament before the end of the month.

The move comes after a series of threats against the Palestine Liberation Organisation (PLO) which Israel has accused of using Orient House, the East Jerusalem headquarters of the Palestinian delegation to the bilateral Middle East peace talks, as a foreign ministry.

Israel wants to limit governmental activity to the autonomous areas of the Gaza Strip and West Bank town of Jericho.

However, the legislation runs counter to commitments made to the PLO by Foreign Minister Shimon Peres on a letter to Chairman Yasser Arafat last October.

He pledged to "preserve" Palestinian institutions in East Jerusalem saying they were of "great importance" and performed an "essential task."

"We will not hamper their activity. On the contrary, the fulfilment of this important mission is to be encouraged," he wrote.

Faisal Husseini, the senior PLO official in Jerusalem, has condemned the bill and said it goes "against the peace process."

"I have no intention of submitting to it and I will continue my activities," he said.

Under the Sept. 13 declaration of principles for autonomy, the status of Jerusalem will be negotiated only after two years of Palestinian self-rule.

Apathy masks disappointment over peace process

By Ghadeer Taher
Special to the Jordan Times

ZARQA — At the corner of an alleyway in this dusty industrial city, Haj Mohammad carefully counts the stubs of the lottery tickets he has sold today. He listens to the men milling around his tiny shop arguing about the imminent arrival of the enemy — Shimon Peres.

The Israeli foreign minister, who is scheduled to attend a meeting with U.S. Secretary of State Warren Christopher and Jordan's Prime Minister Abdul Salam Al Majali, will be the first top Israeli official to publicly visit Jordan since the creation of the Jewish state when he flies to the Dead Sea on Wednesday by helicopter.

His Majesty King Hussein will meet Israeli Prime Minister Yitzhak Rabin in Washington on July 25.

"What is it going to change?" says Haj Mohammad shrugging his shoulders as the debate heats about the impact of the visit, which shatters a four-decade taboo chisled in the Jordanian psyche by five Arab-Israeli wars and years of propoganda.

"I do not like it that our enemy will step on our land but there is nothing we can do," says Saeed, his son, who has lived his whole life in this working class neighbourhood, 20 kilometres from Amman. "But the King has every right to meet Rabin and secure Jordan's interests after Arafat went and made this terrible deal," he adds referring to PLO Chairman Yasser Arafat's Sept. 13 deal with Israel.

A man sitting on a red stool near an antiquated coffee grinder contends that "Sadaat was right. We should have listened to him."

"We could have saved our martyrs' blood and years of suffering ... imagine we called him a traitor back then," he says, referring to Egyptian President Anwar Sadat, who was denounced by the whole Arab World in 1979 when he signed a separate peace agreement with Israel.

The coffee man's statement provokes an angry retort from another customer who declares that "we even can never have peace with the Jews." His is one of the few opposing voices, though another Zarqa resident claims that those who disagree with what the government is doing are afraid to speak out.

But this kind of debate is the exception rather than the norm in this dusty, crowded city which claims no original inhabitants like Salt, Karak and Irbid.

On one of Zarqa's streets, King Faisal, Sabri Abu Hussein churns the soap and water in a metal bowl for another shave. At his salon, his customers seated on white vinyl couches hardly mention, if they do at all, the neck-breaking speed of events in the peace process.

"My customers are discussing the world cup finals, they are more interested in Brazil than in Peres," says Mr. Abu Hussein, who was born in the Zarqa refugee camp. "Most people in the city have lost hope and they do not think their lives will be too different once there is peace, so they are not interested in who meets whom."

University of Jordan sociologist Sari Nasir sees a general sense of indifference among the people, prompting many to skip even the main television news broadcast which has been promoting the benefits of peace for some time now.

"People have had so many disappointments when it comes to the Arab-Israeli conflict," says the American-educated professor. "Over the last four decades their hopes were assassinated, so

(Continued on page 12)

Despair and frustration turn to violence in Gaza

GAZA CITY (AFP) — Despair born of poverty and frustration at Israeli work restrictions was blamed for the border violence Sunday that left two dead and dozens wounded in the bloodiest clashes since self-rule was launched last year.

"What can we do, when the enemy is in front of us and hunger behind us in the Gaza Strip," said one Palestinian bitterly after taking part in the clashes at the Erez crossing point.

Apart from the two Palestinians killed in the clashes which erupted before dawn between Palestinians, including Gazan police, Israeli soldiers and Jewish settlers, a Palestine Liberation Organisation (PLO) official said 75 Palestinians were wounded.

Israeli military officials said three soldiers were shot and wounded, one critically. Another 20 troops and a civilian were hit by stones.

The Strip's economic difficulties have forced thousands of the 800,000 Palestinians crowded on to the narrow, autonomous band to search for work in Israel to survive.

According to the World Bank, the average annual income per person here is $800, 15 times less than that in Israel. Unemployment is running at more than 50 per cent and more than 80 per cent of Gazans are rotting in refugee camps.

In 1993 Israel halved to 20,000 the number of work permits given to Gaza residents following a wave of anti-Israel attacks. The move just tightened the economic screw on the Strip.

Workers told AFP on Sunday they began throwing stones at Israeli soldiers when the troops started to tear up their work permits and turn them back from crossing into Israel.

Others said they were subjected daily to humiliation and abuse when they tried to go to work.

"I have had my work permit for six months and despite that they insult me, harass me and turn me back, telling me to 'go and complain to (PLO leader) Yasser Arafat,'" said Abul Abed, 50.

Since Israel seized the Gaza Strip and West Bank in the 1967 Middle East war, it has tightly linked its own economy to the occupied territories, trying to hinder the development of any economic infrastructure.

"Israel has left Gaza with a destroyed infrastructure and economy and with no alternative but to work in Israel," said Arafat spokesman Marwan Kanafani.

Israel reacted predictably to Sunday's clashes by sealing off the Gaza Strip.

According to the World Bank, each day of closure leads to a daily loss of $700,000 in earnings and $250,000 in exports for Gaza.

"We are starving in Gaza and the world is just looking on. We can't count on the new Palestinian Authority which is in a difficult situation as Arafat tells us," one worker said, asking to remain anonymous.

Mr. Arafat arrived to take up his post as head of the new self-rule authority saying he had no money, despite international pledges of $720 million to back Palestinian autonomy in 1994.

"The Israelis refuse to give us permits," said Mohammad Nofal, one of the workers who witnessed the violence.

"The economic situation is terrible, and even though we have no entry permits, we are obliged to go in any way we can to feed ourselves."

Palestinians are employed as a cheap labour force in Israel mainly in agriculture, construction and the hotel industry.

Palestinian Economy Minister Ahmad Qourea told AFP the new authority was going to try to improve job prospects.

"We have to launch projects capable of employing the greatest number of people to gradually reabsorb unemployment," he said.

He said during the negotiations which led to the May 4 Israel-PLO autonomy accord he had insisted that Palestinian workers should remain an integral part of the Israeli economy.

"We are incapable of reducing the number of unemployed in the immediate future, all that we can do is to put into action everything to find them work in the future," Mr. Qouriea added.

A PLO leader in Gaza, Hisham Abdul Razak, said that under the terms of the self-rule deal some 50,000 workers from Gaza are in principle permitted to work in Israel.

Palestinian leader Yasser Arafat visits a boy injured in Sunday's violence at the Erez crossing point (AFP photo)

Nairobi talks — latest effort to end Sudan war

NAIROBI (AFP) — A third round of talks between the Khartoum government and factions of the rebel Sudan People's Liberation Army (SPLA) was to open Monday in a bid to settle the 11-year-old bloody civil war in southern Sudan.

The talks, which are scheduled to run from July 18 to Aug. 1, will be the latest in a series of so far fruitless efforts to broker a settlement of the conflict by the Inter-Governmental Authority in Drought and Development (IGADD), grouping Djibouti, Eritrea, Ethiopia, Kenya, Sudan and Uganda.

The Sudanese government delegation to the latest round of talks was expected to be headed by Parliamentary Speaker Mohammad Al Amin Khalifa, while John Garang's SPLA mainstream will be led by his deputy and chief of staff Salva Akiir and Riek Machar's SPLA-United by his deputy Richard Mulla.

A joint statement issued here before the second round of talks adjourned on May 21 said the pro-Islamic military government and the mainly Christian southern rebels had agreed on an agenda for Monday's talks.

The statement also said that after three days of intense negotiations behind closed doors the negotiators had agreed on "principles for resolving the southern Sudanese conflict and interim arrangements and steps to be taken to resolve the conflict."

The statement did not elaborate on the measures, and there was no measurable effect on the fighting.

Earlier, before the second round of talks opened, the Sudanese government, the rebels and the United Nations signed an agreement here under which relief convoys would be allowed into Sudan's war-torn south, where fighting has continued despite the onset of the rainy season which turns most of the vast, undeveloped region into swamp and marsh.

The SPLA took up arms in 1983 in a bid to end domination of the mainly Christian and animist southern Sudan by the Arabised Muslim north, but it will be coming to the talks severely weakened by internal rifts.

Khartoum has taken advantage of a 1991 split in the rebel movement along tribal lines and several other rifts recently to recapture a string of garrison towns it had lost to the SPLA.

These include Colonel Garang's headquarters at Kajo Kaji near the Sudanese-Ugandan border which fell to government forces on June 11.

Monday's talks could also be complicated further by another recent split in Mr. Riek's faction.

On July 4, SPLA-United's internal affairs and public security secretary Commander Arok Thon Arok, the highest ethnic Dinka in SPLA-United and de facto number four after Mr. Riek, Kerubino Kwanayin Bol and William Nyuon Bany, quit the movement, accusing its leader of dictatorship and poor leadership.

He was particularly upset by the recent dismissal of the faction's foreign affairs secretary Lam Akol and the alleged arrests in the south by Mr. Riek of nine of his commanders, including information secretary Joh Luk Jok.

The dismissal of Lam Akol, a Shiluk, and his consequent return to southern Sudan to lead fighters, is already causing ripples in the war front around the northern town of Nasir, which is bound to affect whatever decisions are reached in Nairobi.

The new group, which is said to be gaining much ground in areas formerly under Mr. Riek's control, is not included in the negotiations.

Clinton needs a lift in a tough July, Mideast could help

By Barry Schweid
The Associated Press

WASHINGTON — King Hussein of Jordan and Prime Minister Yitzhak Rabin of Israel will be honoured guests at a White House banquet when they come to Washington on July 25, and no wonder Bill Clinton, taking on the role of peacemaker, has invited King Hussein and Mr. Rabin to the capital to work on their peace talks and to address Congress.

Mr. Clinton will be happy to have them here. This month is hardly ranking as one of his all-time favourites. He is taking the heat for a decline in the dollar. Haiti's military rulers are defying him every day, refusing to quit and let a democratically elected government take over.

Worse, Congress is to begin hearings on the Whitewater allegations on July 26, and Mr. Clinton is struggling to keep the key elements of his health care programme intact.

This is not the kind of July he had planned.

He went to Europe for eight days to promote stronger ties between the prosperous West and the struggling East, and also to encourage leaders of the industrial democracies to consider a new round of trade talks.

The results were mixed.

Mr. Clinton embraced the Baltics' drive to evict the last Russian troops left over from the cold war. He also spoke up for the rights of Russian-speakers in the three countries, Lithuania, Latvia and Estonia.

The crowds in Riga cheered the first message and sat on their hands when Mr. Clinton appealed for equal rights. However, he arranged a meeting between Russian President Boris Yeltsin and Estonian President Lennart Meri and provided financial inducements for the Russian troops to withdraw.

In Germany, he took on the unpleasant re-emergence of fascists and a xenophobic hatred for immigrants by telling young Germans, they should learn to live with people who are different. His speech at Brandenburg Gate also stirred memories of Germany's Nazi past, which most Germans do not like to be reminded of.

Being president sometimes means saying and doing the hard thing. The appeal in Latvia for equality, and in Germany for tolerance were contributions by Mr. Clinton to enlightened political thought.

He slipped, though, at the economic summit in Naples, Italy, making a weak defence of the dollar and advertising his call for another round of free-trade measures even as France and other nations were preparing to oppose that idea.

As for the Mideast, arranging the Jordanian-Israeli meeting was not as simple as just mailing out invitations.

Mr. Christopher may have to offer more when he meets with Jordanian and Israeli officials next week near the Dead Sea.

Mr. Rabin's decisions to cede control of the West Bank and Gaza to the Palestine Liberation Organisation and to relinquish most — if not all — of the strategic Golan Heights to Syria have generated heat.

When Mr. Clinton lines up in support of those decisions he risks losing the support of Americans who think Israel is giving up too much for too little.

But playing peacemaker between King Hussein and Mr. Rabin can only put points on the board, points Mr. Clinton sorely needs.

Aden still suffers water, food shortages

ADEN (R) — Some of Aden's residents went back to work on Monday while many others continued their daily search for water and food in the southern Yemeni city devastated by two months of civil war and then captured by northern forces.

Residents said they still cannot resume their normal life, 10 days after the capital of southern secessionists fell to northern forces who crushed southern bids to break from four years of unity with the north.

Some went back to work for the first time since the war, but the majority of the around half a million people still queued at wells and searched for scarce food and petrol.

"Some people have gone back to work, mostly those whose offices were not ransacked," one resident said.

Widespread looting that has stripped bare Aden's government institutions, offices, shops and many homes, has subsided and northern soldiers are withdrawing from the streets and handing over control to security police enforcing a night time curfew.

Sanaa-based government ministers had held talks in Aden took measures to restore order and basic services. Most of the ministers went back of Sanaa on Sunday leaving behind officials from ministries to follow up on the measures.

The government had ordered employees at Aden's refinery and power station to report to work as an urgent measure to restore power and provide petrol. Red Cross teams and government workers were trying to repair damaged water pipelines.

Residents said some water was restored to taps in a few districts on Monday through a pipeline from Lahj to the north, but that was only 20 per cent of the total city supply.

"Not everyone is getting water. It is minimal," one said.

U.N. officials were in Aden to arrange the evacuation on Monday of 763 Somali refugees from Yemen, where they were caught in the crossfire of the war after fleeing their own homeland.

U.N. spokesman Nejib Friji had said on Sunday that the U.N. will ship home about 1,500 Somali refugees of the almost 10,000 refugees in Yemen in the first stage of the evacuation organised by the United Nations High Commissioner for Refugees (UNHCR).

A ship bringing medical supplies and surgical equipment to Aden will evacuate the 763 refugees to Somaliland, a relatively peaceful enclave that has declared independence from Somalia.

Breakaway southern leaders who fled Yemen appealed in exile for support and accused the north of cracking-down on Aden with the curfew, basic shortages and human rights violations.

"We ask every country and organisation to force the Sanaa regime to put into place international law which does not allow solving political problems by force.. and enter unconditional talks acceptable to all parties," said a letter addressed to human rights groups, the U.N. and other organisations.

Diplomats told Reuters on Sunday the U.N. was trying to arrange a meeting between northern and southern officials in Paris on July 29 to help move towards reconciliation.

Haidar Abu Bakr Al Attas, named prime minister of the southern breakaway state, and Abdullah Al Asnaj, named the south's foreign minister, will attend.

The Sanaa government is talking to what it calls moderate members of the southern Yemen Socialist Party (YSP) who opposed the secession bid by their leader, Ali Salem Al Beidh.

NEWS IN BRIEF

Four killed in Djibouti grenade attack

DJIBOUTI (R) — Four people were killed and 15 injured in Djibouti when a grenade was lobbed into a field where football fans were watching the World Cup final on television, eye-witnesses said on Monday. The attack took place in a largely Somali-speaking neighbourhood in the capital of the Red Sea state late on Monday and a hospital source said the death toll could rise. "Some of the victims were rushed in with their lower limbs blown off by the blast," the hospital source said. Eyewitnesses said the grenade was thrown from a passing vehicle into the open field, where people were playing cards and watching the World Cup final between Italy and Brazil. There was no indication who was responsible for the attack.

Vacationing Kuwaitis warned about AIDS

KUWAIT (R) — Kuwaitis were given an unusually public warning on Monday about the risks of contracting AIDS on holiday or business trips and told to avoid extra-marital sex. The advice was contained in a Health Ministry pamphlet tucked into the pages of Al Watan newspaper. Addressed to "dear traveller," it gave basic facts about the disease and told readers to avoid sex outside marriage and drug abuse. Explicit AIDS awareness campaigns found in the West are unknown in the Middle East, where tradition restricts open discussion of sexual matters. Kuwait reported a total of 10 people with full-blown AIDS between 1986 and 1993, according to the World Health Organisation. Most of these people have died.

New U.S. envoy ends 2-year hiatus in S. Arabia

RIYADH (AFP) — A new U.S. ambassador has taken up his post in Saudi Arabia ending a two-year absence, the U.S. embassy said Sunday in a statement. Raymond Mabus has taken over from Charles Freeman whose posting finished at the end of August 1992 several weeks before Bill Clinton won the presidential elections. Since then the U.S. embassy in Riyadh has been headed by Charge d'Affaires David Welch. In January Washington put forward its former Ambassador to Kuwait Edward Gneihm as Mr. Freeman's successor, but Riyadh ignored the proposal. But two important trade agreements were signed between Washington and Riyadh. In February Boeing and McDonnel Douglas won a $6 billion contract to supply 60 planes to upgrade the fleet of the Saudi airline Saudia. And in May ATT signed a $4 billion contract to enlarge and modernise the Saudi telecommunication network. The United States is Saudi Arabia's main arms supplier with orders currently worth $25 billion, according to the U.S. Congress research centre.

Russian officials in Turkey to boost ties

ANKARA (R) — Russia's First Deputy Prime Minister Oleg Soskovets arrived in Ankara on Monday to boost two-way political and economic ties, Anatolia news agency said. "I have come to build a tight dialogue with Turkey," Anatolia quoted Mr. Soskovets as saying on his arrival at Ankara airport, where he was met by Deputy Prime Minister Murat Karayalcin. "Our heads of state and government see a change to a market economy as their main target," Mr. Soskovets said. "Due to this they accord importance to Turkish firms doing business in Russia." Mr. Soskovets, accompanied by four government ministers and senior trade, energy, health and pipeline officials, arrived after three days meeting businessmen in the Mediterranean resort of Antalya. The Karayalcin said Mr. Soskovets's visit signalled an important development in post-cold war Turko-Russian relations. "The world is on the brink of a new political manifestation," he said. "The development and strengthening of relations between Turkey and Russia carries great importance for world peace."

Swiss journalists detained in Turkey

ISTANBUL (R) — Two Swiss journalists and their Turkish assistants were briefly detained by police in the Turkish resort town of Antalya, one of the journalists told Reuters on Monday. The journalists, working on a story about Turkey's tourism industry and effects of recent bombings widely blamed on Kurdish guerrillas, were picked up on Sunday after visiting a Kurdish squatter settlement and held for three hours. Police also confiscated a video cassette containing interviews with Kurdish migrants from southeast Turkey and politicians from the pro-Kurdish People's Democracy Party (HADEP), said Amalia van Gent, who writes for the daily Swiss paper Neuer Zurcher Zeitung. She and her husband Werner van Gent, who was detained along with her and is preparing a programme for Swiss state television, are Swiss nationals who live in Istanbul and are accredited with the Turkish press office. Police said in a statement distributed to journalists that Turkish law prohibits foreigners from conducting scientific research without the permission of the Interior Ministry.

UAE lends Bangladesh $16.3 million

ABU DHABI (AFP) — The United Arab Emirates (UAE) on Monday extended a 60 million dirhams ($16.3 million dolars) loan to Bangladesh to finance an irrigation project, an official statement said. The Abu Dhabi Development Fund (ADDF) provided the loan, which has an annual interest rate of three per cent and is repayable in 20 years, including a five-year grace period, ADDF said in the statement. Other Arab and international development funds are participating in financing the Teesta Barrage project in northwest Bangladesh, it said. The loan, the latest in a series of UAE loans to Bangladesh, brought to more than eight billion dirhams ($2.17 billion) the total value of loans provided by ADDF to nearly 45 Arab and other developing nations. ADDF, with a capital of four billion dirhams ($108 billion), is financed through earning from oil exports of 2.16 million barrels per day.

JORDAN TIMES DAILY GUIDE AND CALENAER

JORDAN TELEVISION

Tel. 773111-19

PROGRAMME TWO

17:00 ..... Envoye Special
18:30 ..... News in French
18:45 ..... Grands Galops
19:00 ..... News in Hebrew
20:00 ..... News in Arabic
21:10 ..... The Commish
22:00 ..... News in English
22:20 ..... Matrix
23:10 ..... The Upper Hand

PRAYER TIMES

04:05 ..... Fajr
05:37 ..... *(Sunrise) Duha*
12:42 ..... Dhuhr
16:22 ..... 'Asr
19:47 ..... Maghreb
21:19 ..... 'Isha

CHURCHES

St. Mary of Nazareth Church Sweifieh, Tel. 810740
Assemblies of God Church, Tel. 682785.
St. Joseph Church Tel. 624590.
Church of the Annunciation Tel. 637440.
De la Salle Church Tel. 661757
Terrasancta Church Tel: 622366
Church of the Annunciation Tel. 623541.
Anglican Church Tel. 630851, Tel. 628513.
Armenian Catholic Church Tel. 771331.
Armenian Orthodox Church Tel. 775261.
St. Ephraim Church Tel. 771751.
Amman International Church Tel. 652526.
Evangelical Lutheran Church Tel: 824328.
German-speaking Evangelical Congregation Tel. 684195
The Church of Jesus Christ of Latter-Day Saints Tel. 654932
Church of Nazarene Tel.672691.
The Evangelical Local Church in Amman Tel. 811295.

WEATHER

Bulletin supplied by the Department of Meteorology.

Normal summer weather conditions will prevail with winds appearing at low altitudes and winds westerly moderate to active. In Aqaba, winds will be northerly moderate and seas calm.

Min./Max. temp.	
Amman	17/29
Aqaba	23 / 37
Deserts	16 / 32
Jordan Valley	22 / 35

Yesterday's high temperatures: Amman 28, Aqaba 37. Humidity readings: Amman 32 per cent, Aqaba 34 per cent.

USEFUL TELEPHONE NUMBERS

NIGHT DUTY

AMMAN:

Dr. Abdul Wahab Awad	846070
Dr. Salman Al Daboubi	776752
Dr. Yousef Abdo	694916
Dr. Jamal Ja'bari	796460
Firas pharmacy	661912
Ferdows pharmacy	778336
Al Ascna pharmacy	637055
Nairoukh pharmacy	623672
Al Salam pharmacy	636730
Yacoub pharmacy	644945
Shmeisani pharmacy	637660
Nairouih pharmacy	623672
Najib pharmacy	847632

IRBID:

Dr. Mohammad Al Hilu	279773
Alquds pharmacy	(—)

ZARQA:

Dr. Farah Al Aqrabawi	987725
Khalifeh pharmacy	985417

EMERGENCIES

Food Control Centre	637111
Civil Defence Department	661111
Civil Defence Immediate Rescue	630341
Civil Defence Emergency	199
Rescue Police	192, 621111, 637777
Fire Brigade	891228
Blood Bank	775121
Highway Police	843402
Traffic Police	896390
Public Security Department	630321
Hotel Complaints	605800
Price Complaints	661176
Water and Sewerage Complaints	897467
Amman Municipality Complaints	787111
Telephone Information (directory assistance)	121
Overseas Calls	010230
Central Amman Telephone Repairs	623101
Abdali Telephone Repairs	661101
Jordan Television	773111
Radio Jordan	774111
Water Authority	680100
Jordan Electricity Authority	815615
Electric Power Company	636381
RJ Flight Information	08-53200
Queen Alia Intl. Airport	08-53200

HOSPITALS

AMMAN:

Hussein Medical Centre	813813/32
Khalidi Maternity, J. Amn	644281/6
Akileh Maternity, J. Amn.	642441/2
Jabal Amman Maternity	642362
Malhas, J. Amman	636140
Palestine, Shmeisani	664171/4
Shmeisani Hospital	669131
University Hospital	845845
Al-Muasher Hospital	667227/9
The Islamic, Abdali	666127/37
Al-Ahli, Abdali	664164/6
Italian, Al-Muhajreen	777101/3
Al-Bashir, J. Ashrafieh	775111/26
Army, Marka	891611/15
Queen Alia Hospital	686100
Amal Hospital	674155

ZARQA:

Zarqa Govt. Hospital	(09)983323
Zarqa National Hospital	(09)900560
Ibn Sina Hospital	(09)986732
Al Hikma Modern Hospital	(09)990990

IRBID:

Princess Basma Hospital	(02)275555
Greek Catholic Hospital	(02)272275
Ibn Al Nafees Hospital	(02)247100

AQABA:

Princess Haya Hospital	(03)314111

FOR THE TRAVELLER

QUEEN ALIA INTERNATIONAL AIRPORT

This information is supplied by Royal Jordanian (RJ) information department at the Queen Alia International Airport Tel. (08)53200-5, where it should always be verified.

ARRIVALS

Royal Jordanian (RJ) Flights (Terminal 1)

04:10 Jakarta, Kuala Lumpur (RJ)
08:00 ..... Damascus (RJ)
08:30 ..... Dhahran (RJ)
10:15 ..... Aqaba (RJ)
10:15 ... Abu Dhabi, Al 'Ain (RJ)
10:35 ..... Muscat, Dubai (RJ)
10:50 ..... Doha, Bahrain (RJ)
17:35 ..... London (RJ)
17:50 ..... Cairo (RJ)
17:55 ..... Frankfurt (RJ)
18:40 ... Chicago, Amsterdam (RJ)

Other Flights (Terminal 2)

04:20 ..... Vienna (OS)
09:35 ..... Cairo (MS)
13:30 Muscat, Al 'Ain, Abu Dhabi (GF)
14:00 ..... Riyadh (SV)
17:00 ..... Rome (AZ)
18:20 ..... Paris, Beirut (AF)
19:20 ..... Kiev (6U)
21:15 ..... Beirut (ME)
21:25 ..... Amsterdam (KL)
00:30 ..... Bucharest (RO)

DEPARTURES

Royal Jordanian (RJ) Flights (Terminal 1)

08:00 ..... Aqaba (RJ)
09:30 Amsterdam, New York (RJ)
12:00 ..... Vienna, Frankfurt (RJ)
12:15 ..... Montreal, Toronto (RJ)
12:35 ..... Paris (RJ)
12:55 ..... Geneva, Brussels (RJ)
13:45 ..... Cairo (RJ)
13:55 ..... London (RJ)
14:30 ..... Madrid (RJ)
20:45 ..... Bahrain, Doha (RJ)
21:00 ..... Larnaca (RJ)
21:30 ..... Jeddah (RJ)
22:30 ..... Abu Dhabi, Dubai (RJ)
22:50 Kuala Lumpur, Singapore (RJ)

Other Flights (Terminal 2)

10:30 ..... Cairo (MS)
11:00 ..... Khartoum (SD)
13:50 ..... Vienna (OS)
14:30 .... Abu Dhabi, Al 'Ain (GF)
15:30 ..... Riyadh (SV)
18:00 ..... Damascus (AZ)
20:30 ..... Kiev (6U)
00:30 ..... Amsterdam (KL)
01:30 ..... Bucharest (RO)

HIJAZ RAILWAY TRAIN

Dep. Amman ... 8:00 a.m. every Monday
Arr. Damascus 5:00 p.m. every Monday
Dep. Damascus 7:30 a.m. every Sunday
Arr. Amman .... 5:00 p.m. every Sunday

MARKET PRICES

Upper/lower price in fils per kg.

Apple	550/ 400
Apricots	800/ 700
Banana	680
Banana (Mukammar)	620
Cabbage	140 / 80
Carrot	250/180
Cobra	1300 / 800
Cherry	1200/700
Cauliflower	300/ 200
Cucumbers (large)	90 / 50
Cucumbers (small)	200 / 120
Eggplant	180/ 100
Fig	480/ 380
Garlic	750/550
Grapes	450 / 350
Lemon	620 / 500
Marrow (large)	90 / 50
Marrow (small)	180 / 100
Molukhiah	120/ 80
Okra	850/ 600
Orange	500/ 400
Onion (dry)	220 / 160
Sweet Melon	210/ 140
Pepper (hot)	340 / 240
Pepper (sweet)	240 / 180
Potato	450/ 300
Peaches	750/ 600
Tomato	110/ 50
String beans	320/ 220
Watermelon	100 / 60

Her Majesty Queen Noor Monday attends a conference on women and politics organised by the National Federation of the Business and Professional Women's Club (Petra photo)

'Improved women's status requires involvement in decision-making'

By Rana Husseini
Special to the Jordan Times

AMMAN — In a continuing to onprove the status of Jordanian women, the National Federation of the Business and Professional Women's Club (BPWC) Monday npened a two-day conference which aims at getting women more involved in social issues and at the same time will seek to promote the importance of family.

The conference, organised on the occasion of the Intematinnal Day of the Woman, the Year of the Family and the passing of 10 years since the establishment of a counselling office for women at the BPWC, is being held under the patronage of Her Majesty Queen Noor, the honourary president of the International Business and Professional Women's Club.

President of BPWC Hind Abdul Jaber welcomed the Queen, representatives of governmental institutions and other attendees thanking Qneen Noor for her concern in improving the Jordanian women's status on the national and internatinnal levels and for supporting the elub's activities.

She said the conference will focus on evaluating the strategies resulting from the Nairnhi International Conference on Women held in 1985.

"We aim to tackle the issue of women and politics so that we can accomplish women's hopes and get them mnre involved in social issnes," Ms. Abdul Jaber said.

As for the topic of the Jnrdanian family thrnngh two civilisations, Ms. Ahdul Jaber said the object here is to maintain family values and solidarity.

In addition, Ms. Abdul Jaber reviewed the services offered by the BPWC, saying it was established to help women who suffer from social, family, psychological and legal problems.

"Our duty is to increase women's awareness and to educate them about their rights in all aspects of life," Ms. Abdnl Jaher explained.

Sbe said the BPWC conducted nearly 96 seminars in rural and urban sectors in the Kingdom.

Mohammad Asfnur, President of the Amman Chamher of Commerce (ACC), who also addressed the gathering, said the Jordanian woman has proved herself in various sectors.

"Women in our society have achieved all levels of creativity, education and awareness, and are ahle to enter any field of work," Mr. Asfour said.

"This success has earned women a position in the political and democratic spheres," he added.

On the occasion of the confcrence, Queen Noor awarded the women with certificates for completing the first of six courses designed to stress the importance of women in decision-making.

These graduates are expected to end the full training in early September, and will become leaders in helping other women.

The training programmes includes lectures and workshops on administrative leadership, upper administration, puhlic relations and interpersonal relations, scientific reserarch, conducting election campaigns, and using computers in project management.

Papers presented at Monday's session included "democracy and politics" by Senator Kamel Abu Jaber "women's participation in the political life," by Senator Layla Sharaf and "proficiency in political leadership," hy Abdul Bari Durah.

Today, the conference will discuss the following papers: "the family in "Islamic civilisation," hy Abdul Aziz Khayat; "families in Western civilisation" by Sari Nasser, "family and the Civil Status Law," by Senator Nayla Rashdan; and "Family education and unemployment in Jordan," by Majd Aldin Khairi.

The conference will conclnde with recommendations to be presented following the presentations.

Queen Noor was accompanied by Senator Layla Sharaf, and was received hy members of the BPWC, headed by Ms. Abdul Jaber, as well as Mr. Asfour, Haydar Murad, Mohammad Muhtaseh, Salim Kharfan and Walid Khatih.

Subversion suspects appear in court for pre- trial proceedings

By a Jordan Times Staff Reporter

AMMAN — Twenty-one snspects charged with membership in an illegal organisation and plotting and carrying out sabotage with the aim of toppling the regime appeared at the State Security Court nn Monday for pre-trial proceedings which mainly involved appointing defence lawyers.

A 22nd suspect who lost his legs in a premature explosion while allegedly trying to plant a bomh at a cinema house in Zarqa did not appear hefore the three-member panel nf judges since he was still in hospital under police custody. He was represented hy a lawyer.

Three other suspects remain at large and will be tried in absentia.

Two of the fugitives are non-Jordanian and all other suspects except one are nf Palestinian nrigin, most of them under 25 years old.

After completing the procedures of registering defence lawyers and naming court-appointed counsel for those who requested it, presiding Judge Brigadier General Hafez Amin set Aug. 27 as the trial date followed hy three sessions on consecutive days (the judiciary branch takes its annnal holiday between Jnly 27 and Aug. 27).

The suspects will be formally charged on Aug. 27.

A 10-page dneument charges the suspects with helonging to an illegal organisation with the objective of trying to topple the regime through subversion, plntting and carrying ont subversive activities, illegal possession of explosives and covering up crimes related to national security.

Expected to be produced in court are 15 witnesses and evidence ranging from weapons and explosives seized during raids on suspects' hnmes and nther places and documents as well as confessinns during interrogations.

The prosecution, judicial sources said, seeks to prove that the group, which opposed the regime and rejected the Middle East peace process, planned and carried ont bombings at cinema theatres showing pornographic movies and a liquor store, plotted to assassinate Prime Minister Abdul Salam Majali when he was head of the Jordanian peace negntiating team, and Palestinian personalities Faisal Husseini and Hanan Ashrawi, and attacks on security officials.

The cinema blasts, nne in downtown Amman on Jan. 26 and the other in Zarqa on Feh. 2, injured more than a dnzen penple. Bombs planted at two other theatres and a supermarket selling alcohol were discovered and defused.

The suspects will also be charged with setting ahlaze the car of a Palestinian resident of the Bekaa refugee camp nutside Amman. The man was known to be a supporter nf the Arab-Israeli peace process launehed in Spain in 1991.

The illegal group is not formally named in the charge sheet, but "Arah Afghans" is widely used to describe the suspects in a reference to the status of some of them as volunteers who fought alongside the Afghan Mnjahedeen during the 1980-90 Soviet military intervention in Afghanistan.

The prosecution says that the organisation's objectives included "setting up an Islamic caliphate, fighting the infidel Arab regimes, resisting the (Arab-Israeli) peace process, using force to fight things forhidden in Islam, and fighting the Jews and Americans hy striking at their interests."

If convicted, some of the suspects face the death penalty. The minimum punishment, according to the penal code, will be five years in prison.

At least two nf the suspects are identified as members of the Muslim Brntherhnnd and snme others as former members of the Palestine Liberation Army (PLA), the military wing of the Palestine Liheration Organisation (PLO).

Coffee reappears at twice the price

By a Jordan Times Staff Reporter

AMMAN — Coffee beans have reappeared in supermarkets and groceries at donhled prices after doing a vanishing act for weeks following the sharp rise in international prices of the commodity.

A kilogramme of roasted and ground "triple AAA" coffee was being sold for JD 6 Monday, while the "second quality" was priced at JD 5. The prices comparc with the government-set price of JD2.5 to JD 2.760 per kilogramme hefore the Ministry of Supply removed coffee from the list of controlled items early this week.

The hike did not appear to affect instant coffee in tins and jars, which, in principle, should not go np anyway since they were imported into the country before news of Brazil's killer frost (the worst in 13 years) had the international coffee market np in arms.

However, it appeared that a few importers/wholesalers of instant coffee were seeking to make hay by increasing prices by five to 10 per cent.

The increase in the local prices of coffee, a favourite drink of Jnrdanians, rich and poor, whn consume a large quantity of the thick aromatic "kahwa," was in the cards since the beginning of the year when international demand was steadily growing and supplies were dwindling.

But reports in the past two weeks that Brazil, the leading coffee producer, had suffered a major setback to its output this season and perhaps even the next, sent prices catapulting to eight-year highs in the international commodity markets.

The average price increase since the beginning of the year was estimated hy London hrokers at 100 per cent; a tonne of coffee was being offered between $3,600 and $3,800 when trading closed last week compared with $1,800 to $2,000 in March.

Worst-hit among Jordanian "kahwa" consumers are those who freqnent the traditional coffee shops in downtown Amman, where prices went up more than three times in two weeks, leaving customers wondering at the speed with which the hike in internatinnal prices rushed to the local market.

Cafe owners laid the hlame squarely at the door of importers/wholesalers.

"The traders know all about international prices and can smell price rises coming weeks away," said a cafe owner. "It was no wonder that coffee disappeared from the market to warehouses hidden away from the public eye until such time the government lifted its control."

"Some people somwhere made a pack overnight," he added, insisting nn anonymity.

"Could anybody believe that the coffee that is in the market today was bought only a week ago in Brazil and shipped to Jordan after the prices went up?"

A typical small cup of "Turkish coffee" — a misleading description hnt one that consumers do not do without — now costs around 250 fils to 300 fils in downtown cafes compared with 100 fils to 120 fils two weeks ago.

"I might as well quit drinking coffee," said a taxi driver disgustedly as he collected a paper cup of the steaming liqnid from a wayside hawker on Prince Mohammad Street, a favourite source for taxi drivers to whet their daily appetite for caffeine. "They want 250 fils; and this is as light as tap water."

Spruced up and waiting for opening night, 13th Jerash Festival is an artistic medley

By Angham Tamimi
Special to the Jordan Times

AMMAN — For nearly a year, the Higher National Committee for the Jerash Festival of Culture and Arts has been preparing for its 13th annual summer event which promises to be a multifaceted exciting 18 days of pure entertainment.

"To take part in the festival, any participant shonld meet certain conditinns; first, his/her work should be novel, second, it shnuld be nf a distinguished level; and third, it should not have been presented anywhere else before. "But, we allnw Arah singers to perform their popular repertoires hand in hand with the new songs," festival director Akram Masarweh told the Jordan Times.

As usual, this year's festival will host visitors from various Arab and foreign countries. Each country chooses either one or more activities, that is, to recite poetry, to perfnrm plays, folklnric dances and songs or to display books.

Asked about Adonis, the renowned Arab poet whose name nn the programme raised arguments in Jordan about whether to invite him nr not, Mr. Masarweh confirmed that the Lehanese-born artist will attend the festival and recite his poetry.

"The Jordanian cultural movement is democratic," said Mr. Masarweh "and Jnrdan is a democratic country. We respect others' opinions. So, we will not hlock Adonis from reciting just because he has political views opposite to ours. Educated people appreciate Adonis' artistic merit, and for this merit, he will be among us in the next few days."

Other poets invited are: Ahmad Abdul Mu'ti Hijazi, Talal Haidar, Mohammad Asha'ri, Joseph Harh, Mohammad Maghnt, and Munsif Wahabi.

If compared to nther Arah cultural festivals, such as Qartaj in Tunis, or similar festivals in Syria and Egypt, the Jerash Festival can be described as comprehensive.

It includes all cultural and art activities ranging from book displays, poetry reciting, folkloric performances, in addition to this year's distinguished activity, "Girasia Forum of Creativity."

Jordan's nwn Natinnal Music Conservatory/Noor Al Hussein Foundatinn (NMC) will also participate with two performances.

The first will feature a performance by the Orchestra of the National Music Conservatory comprised nf 62 musicians. The second show will be a joint performance hy the Concert Band nf the Natinnal Musie Conservatory, and the Beirut Symphonie Band along with the choir comprised of the ehoir of the NMC, the Ahliya School for Girls and the Amman National School.

In addition, the ground, facilities and antiquities of Jerash underwent a significant renewal inclnding the installation nf luxurious lavatories, the renovation of the ancient Roman city's stages and an upgrade of Jerash Resthouse restaurant.

Nnt to be overlooked is the completed Amman-Irhid Highway which makes the delightful 40-minnte ride a hreeze.

The programme is designed tn attract people nf different haekgrnunds, laypeople, teenagers, students, families and seninr citizens, as well as specialists in music and art.

Festival nrganisers hope all will attend the festival.

SPOTTING TALENT: Deputising for Her Majesty Queen Noor, Minister of Education Abdel Raouf Rawabdeh opens a workshop Monday on discovering talented students. The event was organised by the Jubilee School in cooperation with the Ministry of Education. The four-day workshop aims at defining the concept of talent, ways of discovering talented students, and the role of guidance in providing educational services and aiding in discovering talents. About 65 ministry instructors are taking part in the workshop (Petra photo)

WHAT'S GOING ON

PLAY

- ☆ Play in Arabic fentitled "A Black Comedy" by Majd Al Qasas at the Royal Cultural Centre at 8:00 p.m.

EXHIBITIONS

- ☆ Exhibition of abstract oil paintings by Mahin Al Sarraf at Orfali Art Gallery in Umm Utheina (Tel. 826932).
- ☆ Oil paintings exhibition by Su'ad Hilmi at the Royal Cultural Centre.
- ☆ Exhibition by Jordanian and Iraqi artists at Alia Art Gallery, Jabal Amman (Tel. 639350).
- ☆ Ceramic exhibition by plastic artists Dr. Mahmoud Sadeq and Da'd Mifleh at Bakr Barjous Engineering Establishment, University Road (Tel. 688479).
- ☆ Exhibition of paintings by Omar Hamdan Shahnan at Darat Al Funun of the Abdul Hameed Shoman Foundation in Jabal Luweibdeh. Also showing "permanent" exhibition of 56 Arab contemporary artists (Tel. 643251/2).
- ☆ Plastic art exhibition by Hussein Da'ssih at the Phoenix Gallery for Culture and Art (Tel. 695291).
- ☆ Exhibition entitled "Arab Artists in France" at the Jordan National Gallery of Fine Arts, Jabal Luweibdeh, off Al Muntazah Circle (Tel. 630128).
- ☆ Exhibition by artist Bishara Al Najjar at the Orient Gallery for Fine Arts, Gardens Str. (Tel. 698513).
- ☆ Exhibition by plastic artist Kheiri Harzallah at the Jordanian Plastic Association in Shmeisani (Tel. 699914).

Members of the Jordanian Businessmen's Association Monday meet with Musa Jaghbeer (second from right), director general of Free Zones Corporation

Finance minister approves free zone for vehicles, parts

AMMAN (J.T.) — Finance Minister Sami Gammoh has approved a request by antomotive sales agents in Jordan to estahlish a free zone for vehieles and spare parts, according to Hamdi Tahbaa, president of the Jordanian Bnsinessmen's Association (JBA).

Mr. Tahhaa said that such a zone would be governed hy the Jordan Free Zones Corporation Law, and the cars hrought into the zone could be marketed in Jordan and neighbouring Arah countries.

He said the minister's approval was conveyed to the JBA hy Musa Jaghbeer, director general of the Free Zones Corporation (FZC) at a meeting held at the corporation's headquarters in Amman Monday.

Mr. Jaghheer said that the decisinn was in conformity with the government's policy of granting the private sector a higger role in the national economy.

Mr. Tahbaa said the JBA considers the decision a majnr step tnwards expanding the role and activities of the free zones in Jordan, enahling the private sector to play a greater role in trade and development.

He said the meeting with Mr. Jaghbeer resulted in the formation of a follow up committee to implement the decision.

Meeting looks at preliminary study on developing agricultural policies

AMMAN (J.T.) — A preliminary study on developing Jnrdan's agricultural policies and stimulating the performance of the Ministry of Agriculture's various departments and affiliated organisations Monday was reviewed at a meeting held at Amra Hotel in Amman.

The study, which was jointly financed by the U.S. Agency for International Development (USAID) and the German Agency for Technical Cooperation (GTZ), was prepared hy a local consultancy firm and took several months to compile, said ministry official Abdul Mu'ti Tillawi in a statement to the Jordan Times.

The study, he said, was aimed at developing and stimnlating the ministry's various activities by reorganising its departments and enahling the ministry to handle major issues facing the agricultural sector.

Deputising for Minister of Agriculture Mansnnr Ben Tarif, the ministry's secretary general, Ghaleh Ahu Orabi, opened the meeting stressing the need for the government to apply a consistent policy if the agricultural sector is to flourish.

An advanced policy for developing this sector in Jordan is of great importance in order to help people in rural regions confront nnmerous challenges in their work and help the country utilise its natural resources with the highest degree of efficiency and secure increased output, said Mr. Ahu Orabi.

He said that the Ministry was concerned with developing the work of all organisations affiliated to it and maintaining close contact with sector institutions such as the Agricultural Marketing Organisatinn (AMD), the Jordan Farmers Association (JFA), and the Jordan Cooperative Organisation (JCO).

The puhlic sector's role in this process should be restricted to planning, control, supervision and providing agricultural extension services to enable the private sector to boost its activities and ensure greater outputs, added Mr. Ahu Orabi.

Nearly 40 delegates representing various ministry departments and organisations, a local consultancy firm and other officials reviewed the study, according to Mr. Tillawi.

He said that the study provided the consultancy firm's views on reorganisation and development of the ministry's departments and the country's agricultural policies, which he said would be scrutinised before they are recommended to the government.

Key lawmakers, polls tell Clinton to back away from Haiti invasion

WASHINGTON (AFP) — Key lawmakers, sensing a lack of U.S. and international resolve, have warned the Clinton administration to drop the drumbeating for a military invasion of Haiti.

Senate Minority leader Robert Dole, a Kansas Republican, insisted that without U.S. interests at stake or U.S. lives at risk there was no justification for sending in U.S. troops.

"If there's American interests threatened or American lives threatened that's another thing, but that hasn't happened," Sen. Dole told CBS television.

And even key Democrats — Senate Majority leader George Mitchell and Armed Services Chairman Sam Nunn, whose backing for an invasion President Bill Clinton would want — urged the administration to give sanctions more time.

Secretary of State Warren Christopher said Friday that the White House was seeking to build congressional support for invading Haiti, but may be forced to act without a green light from lawmakers.

Incoming White House Chief of Staff Leon Panetta defended Mr. Clinton's policy, saying the United States cannot permit "a brutal military dictatorship just a few miles from our shores" that is creating an exodus of desperate Haitians.

From a purely practical standpoint, Democrats fear that if Mr. Clinton invades in August when Congress recesses, Democrats will have to defend an unpopular policy at a time when many are campaigning at home for reelection in November.

Sixty per cent of those questioned in a survey by CNN television and Time magazine agreed that sanctions should be given more time to work before taking any further action to drive Haiti's ruling junta from power.

And 75 per cent of those surveyed opposed the United States going in alone at a time when its partners in the region have shown no willingness to participate in an invasion, and scant interest in joining peacekeeping force.

The United States has boosted its presence off Haiti with 16 navy ships carrying 2,860 marines and 4,700 sailors which, along with a U.N. trade ban, it is hoped will persuade Haiti's military rulers to step down and restore democracy.

Despite the U.S. military muscle flexing, Haiti's leader General Raoul Cedras has refused to leave, though thousands of his countrymen have fled repression and the effects of the punishing trade embargo.

Changes in Mr. Clinton's policy toward Haitian refugees has further muddied the waters by turning a steady, manageable flow of refugees into an uncontainable wave.

On June 15, Mr. Clinton reversed U.S. policy and said Haitians picked up at sea no longer would be automatically sent back to Haiti without being granted U.S. asylum bearings. Thousands took to sea in rickety, unseaworthy boats.

Later, the State Department said only the applications of these Haitians who seek U.S. asylum in Haiti would be considered.

Those picked up at sea, even those found to have grounds for political asylum, would be given temporary safe haven at processing centres in Caribbean countries, with no passage to U.S shores.

But before the new policy had been widely understood, more than 20,000 refugees had fled, and that, coupled with the U.S. inability to get the Haitian military to knuckle under, helped boost political pressure for an invasion.

Meanwhile Haiti's President Jean-Bertrand Aristide, who was ousted in a September 1991 military coup and whom the international community wants to restore to power, has given mixed signals about whether he would support an invasion.

But even with a lopsided battle against Haiti's poorly equipped and ill-trained army, keeping order afterwards could be messy.

Pentagon officials worry about Marines getting killed or captured while trying to maintain order in a post-invasion Haiti where past acts of vengeance too often have been settled with blood.

They are also concerned about getting bogged down in a protracted occupation. The United States last invaded Haiti in 1915, and remained as an occupying power for 19 years.

ASTRONOMERS EXCITED: Drs. Carolyn (right) and Eugene Shoemaker (centre) and David Levy (left) show a series of the Shoemaker-Levy 9 comet impact with Jupiter as seen from Hubble Space Telescope during a press conference Sunday at the Goddard Space Flight Centre in Greenbelt, MD. The five-sequence image shows the initial comet impact enter into Jupiter's atmosphere. Astronomers excited by Saturday's fireball comet collision on Jupiter were looking for a "much bigger boom" when a seventh hunk of the comet trail crashes. The next piece of comet Shoemaker-Levy 9 to land, known as Fragment G, was expected to hit the giant planet at 0728 GMT Monday with up to 25 times the force of the first fragment, which caused a fiery plume that rose 1,000 kilometres above Jupiter's surface (AFP photo)

'Toughest part of moon mission was descent, landing'

NEW KNOXVILLE, Ohio (AFP) — Neil Armstrong, the first man to set foot on the moon, returned to his hometown here Sunday for a rare public appearance to mark the 25th anniversary of the lunar landing. "It's great to be back," the 65-year-old Armstrong said at the event to commemorate the Apollo II mission on which he took his famous July 20, 1969 moon walk. Leaving his footsteps on the moon, when he uttered: "One small step for a man, one giant leap for mankind," was not the most memorable moment of the mission for him, said Armstrong. That exceptional moment, he said, was making the final approach to the moon. Armstrong took over the controls of Apollo II during the landing to avoid dangerous boulders on the Sea of Tranquility. "For me, the final descent and final landing were far and away the most difficult part of the flight," he said. "Pilots take no special joy in walking. Pilots like flying." Armstrong expressed pride in the space vessel that transported him to the moon, but said today's space shuttle also was an admirable flying machine. "It's so much more complex than anything we flew in our day," he said. I-, think it's remarkable what they've been able to do with the shuttle."

4-year-old named reincarnation of lama

AUTUN, France (AP) — It was like a scene from Little Buddha, a la Francaise: A four-year-old boy believed to be the reincarnation of Buddhist master was named a Lama. The child, whose original identity was not revealed, was formally given the new name of Tulkou Kalou Rinpoche in a ceremony before 2,000 believers at Europe's largest Buddhist temple, near this small town in southern France. The boy, born in Paris to parents from Bhutan and Tibet, is seen as the reincarnation of Kalou Rinpoche, considered one of the great spiritual masters of the religion and a close friend of the Dalai Lama, Tibet's exiled leader. Members of the Kagyu Ling Buddhist Community here say the child was identified as Kalou Rinpoche's reincarnation after being able to pick out the late Lama's belongings when he was a year old. The child speaks French, English and Tibetan and will make a tour of European Buddhist centre before going to a monastery in Sonada, India, to receive 12 years of instruction. Italian director Bernardo Bertolucci's film, Little Buddha, has recently been a big hit in France with its tale of an American youngster seen by Tibetan Buddhists as the reincarnation of a lama, or spiritual master.

Obscene phone calls at House of Commons

LONDON (AFP) — Police are trying to identify an obscene phone caller who has been harassing employees at the House of Commons, the Sunday People newspaper reported. Investigators are convinced the man is using the internal telephone system at the palace of Westminster to make his calls, which are of an obscene sexual nature, said the People. The possibility that the calls are being made by a Member of Parliament, a Lord or a parliamentary employee has not been ruled out, it added. Workers at the House of Commons have been given instructions for dealing with the phone calls. They have been told to bang up immediately and contact the investigators as soon as possible so the call can be traced.

Man accused of killing wife and chopping her up

GENEVA (AFP) — Police said Sunday they were looking for a 33-year-old Kurdish man suspected of killing his wife and chopping her into pieces. The woman's remains were discovered Saturday by police searching the building in Geneva where the couple lived. They were in plastic dustbin bags in the cellar and in containers placed in front of the building. The 29-year-old woman was reported missing Friday by her brother, who shared an apartment with the couple. The husband had just completed a four-year prison sentence for drug smuggling.

U.S. urges Jakarta restraint in E. Timor

JAKARTA (AFP) — The United States called on Indonesia Monday to exercise restraint in East Timor, where tensions are running high after clashes between Muslims and Christians.

"We have expressed our concern to the Indonesian government about recent developments in East Timor, urging that security forces exercise restraint," said Pamela Smith, a spokeswoman for the U.S. embassy here.

Security forces in East Timor broke up a student-led march on Thursday prompted by incidents between Roman Catholics, who make up 90 per cent of East Timor's population, and Muslims.

Three demonstrators were allegedly killed, but police have denied any involvement. Eight people were injured and treated and released from hospital.

"We still do not have complete details on the July 14 clash between protesters and anti-riot police," Mr. Smith said. "Our embassy has been unable to confirm the report that three deaths resulted from the incident and does not have full information on the number injured."

The International Committee of the Red Cross (ICRC), which has an office in the East Timor capital of Dili, said Monday it had no new information about the protests.

"The ICRC has tried its best but cannot confirm that there are deaths or missing," an official said, adding that the Red Cross has received no requests for help from any affected families.

Dili was calm Monday, according to witnesses reached there by telephone.

Meanwhile, Thailand Monday defended its decision to block foreign non-governmental organisations (NGOs) from attending a regional human rights conference in Bangkok, saying it would hurt relations with Indonesia.

The six-day seminar, starting in Bangkok Tuesday, focusses on Burma and East Timor, organisers from the South East Asian Human Rights Network (SEANET) told AFP.

It partly coincides with the annual ministerial conference of the Association of South East Asian Nations (ASEAN), opening in Bangkok Friday.

French communications minister quits

PARIS (AFP) — Communications Minister Alain Carignon resigned Sunday to defend himself against corruption allegations in the latest of a series of political and business scandals in France.

In a statement Mr. Carignon, from Grenoble, said that by withdrawing from the government, he hoped to be able to express himself freely in a court case on a Grenoble press company.

In a letter to colleagues he added that there had been "no desire to mislead, no diversion of public money, no personal gain and no fiscal fraud" on his part in the case.

"The only way for me to be heard is to be charged, in order to have access to the file" in the case, said Mr. Carignon, whose resignation has been accepted by Prime Minister Edouard Balladur.

Mr. Carignon's responsibilities will be taken over by Nicholas Sarkozy, budget minister and government spokesman.

Mr. Balladur praised the resignation decision, saying he hoped the legal process would now "allow him to establish his good faith and put himself out of suspicion."

Mr. Carignon, a member of the right-wing Rally For the Republic party and the mayor of Grenoble in the French Alps, has come under strong attack in the town over a case of apparent bribery.

Marc-Michel Merlin, head of Lyonnaise des Eaux subsidiary SDEI and the Grenoble water distribution company COGESE, has been charged with abuse of public funds by giving 800,000 francs ($150,000) to a magazine close to the local government called Dauphine News.

Another Lyonnaise des Eaux subsidiary took over Dauphine News, a vehicle for Mr. Carignon's election campaign, soon after COGESE won a contract for water distribution in Grenoble.

A former magistrate and anti-corruption campaigner, Thierry Jean-Pierre, recently caused chaos on the French stock market when he hinted that Lyonnaise des Eaux and its rival Compagnie Generale des Eaux were responsible for organising most of the corruption touching French public life.

Last week Lyonnaise des Eaux said it was bringing a defamation suit against the magistrate, now a member of the European Parliament.

The prosecutor in Mr. Merlin's case, Philippe Courroye, wanted to question Mr. Carignon as a witness. For this he would have needed permission from the premier and cabinet, an embarrassment Mr. Carignon clearly wanted to avoid.

By resigning he is following in the steps of Bernard Tapie, a Socialist minister under Premier Pierre Beregovoy in 1992 who resigned when he was involved in a business dispute with an RPR deputy. Later, cleared of wrongdoing, Tapie returned to his portfolio in March 1993.

Appearing on French television Sunday evening, Mr. Carignon said his resignation was a "moral choice" made out of loyalty to the premier.

"My name is cited and at one moment or the other, I should be heard on this case. Imagine the media fuss if a serving minister is called before the judge, for whatever reason," he said.

The affair is the latest in a stream of scandals touching the French political world.

The Republican Party, a member of the ruling conservative coalition, is being investigated on its finances and the mayor of Lyon, Michel Noir, has just paid a fine of 500,000 francs for abuse of confidence.

Meanwhile, the cash-strapped French tycoon and politician Tapie, was called in for questioning Monday over his luxury sailing yacht Phocea.

Examining magistrate Eva Joly summoned Mr. Tapie the day before he was due to take up his mandate as a Euro-MP after his triumphant election last June 12.

She charged him with tax evasion and fraud over his management of the $13-million yacht, one of the biggest in the world, on June 29, the day after his immunity in the French parliament was lifted.

Ms. Joly slapped travel restrictions on Mr. Tapie to prevent him leaving on a mediation mission to Rwanda, after tapping his telephone. Last Friday she eased the restrictions, allowing him to travel within the European Union.

Tax authorities allege the Phocea was registered as a freighter when it was for Mr. Tapie's exclusive personal use, allowing him to dodge taxes. On a related fraud charge, Mr. Tapie is alleged to have used funds from one of the companies in his financial group to service the four-master at knockdown rates.

Australia tells U.N. to prevent conflict

SYDNEY (AFP) — Australian Foreign Minister Gareth Evans Monday urged the United Nations to try to prevent conflict rather than work at restoring peace.

Mr. Evans, a key architect of the U.N.-brokered plan which brought democracy and a measure of peace to Cambodia, accused the U.N. Security Council of lacking the political will to intervene decisively in countries like Bosnia and Rwanda.

He told a Melbourne seminar to the role of the U.N. that its peacekeeping role in Namibia and Cambodia had been successful but similar efforts in Bosnia, Somalia and Rwanda were "found wanting".

The U.N.'s reluctance to intervene decisively in those countries "had much more to do with an absence of political will in the Security Council to provide the necessary resources rather than any perceived constraints imposed by international law," he said.

"What is absolutely clear, in a world where commitment and resources are always likely to fall short of aspirations and expectations, is that it makes far more sense to concentrate efforts on peace-building and other preventative strategies than on after-the-event peace restoration," he said.

He proposed the creation of a new United Nations Standing Force and of a new position of U.N. deputy secretary-general who would be responsible for peace-building and humanitarian affairs.

Asked by reporters later if he was interested in the U.N. position he was proposing, Mr. Evans said he was "perfectly happy" with his current position.

Italy's crisis deepens over graft decree

ROME (R) — A crisis rocking Italy's new government over a decree that lifts the threat of custody from graft suspects deepened Monday when Prime Minister Silvio Berlusconi was abandoned on the issue by his closest ally.

Gianfranco Fini, leader of the neo-fascist National Alliance, called Mr. Berlusconi's stubborn support for the measure untenable and said he would work in parliament to have bribery and corruption restored as offences liable to pre-trial custody.

"I don't think he (Berlusconi) wants to defend an untenable position," Mr. Fini said in newspaper interviews from the United States, where he watched Italy lose to Brazil in the World Cup Soccer final.

Fears that the two-month-old government between media tycoon Berlusconi's Forza Italia party, the National Alliance and the federalist Northern League could collapse over the crisis sent the lira into a tailspin Monday.

It broke through the psychological barrier of 1,000 to the mark in the Far East overnight. Government bond prices also dived as operators took fright over the battle of wills between Mr. Berlusconi and his coalition allies.

The storm over the measure erupted when the elite pool of "clean hands" magistrates in Milan, including national hero Antonio Di Pietro, announced they would quit in protest, saying the decree would hamstring their probes into corruption.

Mr. Berlusconi, who has said he stand fully behind the decree, raised the heat Sunday when he challenged Interior Minister Roberto Maroni to withdraw criticism of the measure or resign.

Mr. Maroni, the most senior League minister in the government, has alleged that other members of the cabinet duped him into supporting the decree when it was passed last Wednesday.

The League, rejecting Mr. Berlusconi's ultimatum, called for the decree to be scrapped and told Mr. Maroni to stay put.

"If Berlusconi wants to resign, let him," the League's blunt talking leader Umberto Bossi told reporters. "What he should know, though, is that the minute after he quits Italy will have a new government."

Mr. Berlusconi and his partners powered to triumph in general elections last March as voters dumped a political old guard tarnished beyond redemption by a two-year judicial assault on graft in Italy's Tangentopoli (bribesville) scandal.

The media magnate has portrayed the decree as a bill of human rights, arguing that the use of preventive detention for a host of crimes in Italy violated fundamental principles.

More than 1,000 suspects remanded in jail for various alleged offences including former Health Minister Francesco De Lorenzo, one of the most hated figures of the graft scandal, have already been released since the decree took effect.

Mr. Fini said the decree was fundamentally unjust and that members of the cabinet, including from his own party, had seriously misjudge the mood of the nation.

"If someone tells a judge he's corrupt he goes to jail (for slander) but if he bribes the judge neither he nor the judge goes to prison. That is intolerable," La Repubblica newspaper quoted Mr. Fini as saying.

"The telephones of my party headquarters have not stopped ringing and I understand why people are calling to voice their outrage."

The decree is valid for 60 days but will not take a place on the statute books unless parliament approves it.

The measure faces its first parliamentary hurdle Tuesday when the Constitutional Affairs Commission in the Chamber of Deputies (lower house) meets to consider whether it is constitutionally valid.

The League wants the commission, and subsequently the full chamber, to rule that legislating by decree is not constitutional in this instance.

Decrees are a mechanism by which Italian governments have traditionally passed emergency measures.

The League and opposition parties argue that the whole issue of preventive detention should be tackled by means of a draft law to allow fuller and more considered debate.

Murayama vows dovish foreign policies

TOKYO (AFP) — Japan's Socialist prime minister, Tomiichi Murayama, vowed in his inaugural speech Monday to pursue a dovish foreign policy, calling for a "minimum" Self-Defence Force and pledging non-military global contributions.

"We should strive not to be a powerful country but to be a caring country," he told the Japanese parliament.

Mr. Murayama said that under him, Japan would "persistently maintain an exclusively defence-oriented policy, study our defence posture for the future considering changes in the international situation, and work to build the necessary minimum defence capability."

Mr. Murayama, who took office on June 29 as the first Socialist premier in 47 years, heads a three-party coalition that includes the powerful and conservative Liberal Democratic Party.

His speech marked a retreat from the previous government's position of pushing to take a permanent set on the United Nations Security Council.

"Japan needs to tackle this issue (the make up of the Security Council) on the basis of the support of its Asian neighbours and other members of the international community," he said.

The prime minister said Japan should use its economic and technological capabilities "to make an even greater contribution to the resolution of the mutual distrust, poverty and other problems that underlie international conflicts."

He also said his "anti-war commitment" was based on his "deep remorse" for Japan's wartime aggression in Asia.

"As the 50th anniversary of the end of the war approaches, I recognise anew that Japan's past actions, including aggression and colonial rule, caused unbearable suffering and sorrow for many people in this region," he said.

Mr. Murayama called for a solution "through dialogue" in the row over North Korea's nuclear capacity, and urged the resumption of Washington-Pyongyang talks as well as the realisation of an inter-Korea summit, which has been delayed by the death of North Korean leader Kim Il-Sung.

The prime minister reiterated his earlier pledge that the new government would stick to the Japan-U.S. Security Treaty, once opposed by his Social Democratic Party of Japan.

Mitchell pledges continued push for health care bill

BOSTON (R) — Senate majority leader George Mitchell has pledged before a governor's group to continue pushing for universal health care coverage for all Americans.

His comments came at a meeting of the National Governors Association (NGA), which last week called for an incremental approach to health insurance.

"What we must do is find that middle ground that gets us to universal coverage, but does it in a way that is politically acceptable to them (mainly Republican lawmakers)," Sen. Mitchell told the NGA on the second day of its four-day annual summer meeting in Boston.

"That's very hard to do. I don't know if it's possible, but I will devote all my efforts to it in the next few weeks," Sen. Mitchell said.

In a July 13 letter to Sen. Mitchell, the governors said they supported an approach that would start progress toward some sort of nationwide health insurance but wanted to preserve the rights of states to experiment on their own with segments of a health care system.

The governors' views could influence the strategies of the White House and the Republicans in Congress as the crucial weeks approach for decisions on health care legislation.

During a meeting of the governors' health care task force, a resolution was adopted calling on the federal government to strengthen the granting of waivers to states to exercise more local controls over such programmes as Medicaid.

"Many of the ideas incorporated into the nation's health care and welfare reform proposals build on lessons learned in state reform initiatives," the resolution said. "The governors believe that such state experimentation will continue to be critical to national progress on these issues."

But while the governors criticised federal mandates that states carryout major programmes without sufficient federal funding, the NGA was not prepared to demand that each state set up its own individual health care systems.

The basic problem for both federal mandate and independent state programmes is finding sufficient funds. While Hawaii has a successful almost universal health care programme, Vermont failed this past spring to enact such a system because of financing.

The outgoing chairman of the NGA, Governor Carroll Campbell of South Carolina, voiced one point that bothers state executives most about federal mandates: "If you have ot provide benefits and the money is not there, that's an unfunded mandate."

In his remarks later, Sen. Mitchell acknowledged that such unfunded requirements may eventually shift billions of dollars in mandated spending from the federal to the state governments.

And Sen. Mitchell conceded to the governors that the question of mandates from Washington is probably the most problematic for him to resolve as he tries this year to cobble together a single health care reform bill from several proposals put forward by various factions.

Sen. Mitchell said Senate Republican leader Robert Dole posed a threat to the nation's existing public health programmes — Medicaid and Medicare — if a universal coverage bill is not enacted this year.

The NGA has protested in a letter to Sen. Dole a proposal to cap federal contributions to state-run Medicaid, saying that is the federal government pays less, the states will wind up paying more.

"A cap on the federal share of Medicaid spending would assure that states bear a disproportionate share of a programme that was intended as a state and federal partnership," the letter said.

Both Sen. Dole and President Bill Clinton are due to address the governors on the final day of their meeting Tuesday.

Cambodians to continue search for 3 foreigners despite forensic evidence

PHNOM PENH (R) — Cambodian authorities said on Monday they would continue to search for three foreigners kidnapped at gunpoint last April despite new forensic evidence which points to their murder by Khmer Rouge guerrillas.

"The search into this matter is still proceeding. For the time being I cannot say whether they (hostages) are dead or alive," Interior Ministry spokesman Ten Savong told Reuters.

Government ministers were more sanguine about the prospects of finding the three alive.

Australian and British authorities have said recently the three — Briton Dominic Chappell, 24, his Australian girlfriend, Kellie Wilkinson, 24, and their friend, Tina Dominy, 24, also from Britain — appear to have been murdered shortly after their abduction last April 11 in the southern province of Sihanoukville.

"According to (forensic tests on the human) remains — I believe they are all dead," said Interior Minister Sar Kheng.

Several dozens of dead Rwandan refugees lay on the road in the border city of Goma in Zaire after they were trampled by other refugees fleeing the RPF (Rwandan Patriotic Front) troops advancing on the city of Gisenyi in north west Rwanda (AFP photo)

Rwandan rebels claim victory

KIGALI (Agencies) — Rebels have swept away the last government resistance and won the war for Rwanda, the top rebel commander said Monday.

But another fight was brewing between the rebels and French troops protecting a no-fight zone where Rwandan government leaders wanted for war crimes have taken refuge, rebel commander Gen. Paul Kagame said.

"We have captured all of Rwanda up to the French protection zone and a ceasefire is effectively in place," Gen. Kagame told reporters in the capital, Kigali.

Gen. Kagame said he hoped the ceasefire would halt the desperate flight of hondreds of thousands of Rwandan refugees pouring across the border into Zaire. "There is no need for anyone to flee Rwanda," said Gen. Kagame. "We guarantee all Rwandans stability and security."

Gen. Kagame said his soldiers were under strict orders oot to harm civilians, but he gave no such reassurances to French forces guarding a U.N.-mandated humanitarian aid zone in the southwestern corner of the central African nation.

"We will exercise all the restraint we can... but we are capable of putting up a good fight," said Gen. Kagame, who accused the French of "a lot of dishonesty" in their claim that the zone was strictly for humanitarian purposes.

Last week, government officials accused by the United Nations of inciting the massaere of more than 500,000 Rwandans — most of them ethnic Tutsis — escaped into the zone by helicopter. The mostly Tutsi rebels have demanded that the French turn over.

The French have said it is not within their U.N. humanitarian aid mandate to apprehend their former allies.

But the rebels claim there is no need for a protection zone since the Hutu militias that committed the massacres have been routed. The rebels claim the French are only interested in aiding the Hutu-dominated government, as they did in 1993 when they helped repel a Tutsi rebel attack on Kigali.

"We don't want a confrontation with the French, but we will do what is necessary to bring those men to justice," Gen. Kagame said.

Government-trained militias erupted in wholesale slaughter of Tutsis and opposition party members on April 6, hours after the plane of Presideot Juvenal Habyarimana — a Hutu — exploded on approach to Kigali airport.

The Tutsi-led Rwandan Patriotic Front, which had signed a peace accord with the government on August 1993, immediately launched a new offensive.

The rebels have promised a new, multiparty government and on Monday announced that Pastor Kizimungu, a moderate Hutu, would serve a five-year-term as Rwanda's new president.

Mr. Kizimungu joins Faustin Twagirimungu, also a Hotu, whose appointment as prime minister in last year's peace accords was reaffirmed by the rebels.

Radio Rwanda, which was monitored by the British Broadcasting Corporation (BBC), confirmed that Mr. Twagiramungu would be prime minister of the "sufficiently broad-based governmem of national unity."

By giving Hutus the two top jobs, the Tutsi-dominated RPF appeared to be trying to reassure the Hutu majority they had nothing to fear under the new government.

Ms. Bizimungu was the RPF's representative in Brussels. A spokeswoman for the RPF in Brussels confirmed that Mr. Bizimungu was in the capital Kigali.

She said the new government would he installed Tuesday in Kigali.

On Sunday, RPF soldiers began cleaning up the shattered parliamentary building in Kigali ready for the new government to move in.

Radio Rwanda said all parties linked to slain President Juvenal Habyarimana and members of the self-declared government set up in April, would be excluded from the new authority.

Posts which had been allocated to Mr. Habyarimana's MRND (Republican Movement for National Developmeot) party and his allies under the Arusha accord would be taken up by the RPF.

Up to 100,000 Rwandans fled a Freoch-declared "safe haven" ioto neighbouring Zaire over the past 24 hours, the International Committee of the Red Cross (ICRC) said Monday.

"It happened so suddenly and nobody is ready. The barriers are open and nobody can stop them," ICRC delegate Marianoe Coradazzi told Reuters from the Zaire border town of Bukavu.

Mr. Coradazzi said the exodus began with a trickle of 1,000 people Friday, but that people began pouring across from the town of Cyangugu on the Rwandan side early Sunday and that the human deluge was continuing.

The reason for the exodus was still unclear as Cyangugu is within the zone protected by French military forces against attacks by the Rwanda Patriotic Front (RPF), Ms. Coradazzi said.

Crowds went on looting sprees around Changugu at dawn on Monday and shots could be heard as soldiers apparently tried to restore order, she said.

Stampedes and mortar fire from fighting between rebels and the Rwanda government army killed at least 100 refugees and aid workers said Monday that the international airlift to feed one million people had been suspended.

Reporters who went to one border crossing point between Gisenyi on the Rwandan side and Goma in Zaire saw a total of about 100 bodies.

A baby lay sleeping beside the bloodstained, lifeless form of her mother. The woman had been killed with more than 30 others by a mortar bomb that fell into an area packed with refugees just inside Zaire late Sunday.

Wounded lay in the dust, groaning for help but there was not a single doctor or aid worker in sight.

Georgia may face violence in Adjaria

TBILISI (R) — Georgian President Ednard Shevardnadze said Monday he would act resolutely to preveot any outbreak of violence in the Black Sea province of Adjaria, the only ethnic region in his state untouched by unrest so far.

The beleaguered former Soviet foreign minister was reacting to a recent appeal for help from Adjarian parliamentary chief Aslan Abashidze, who said "informal armed groups" were concentrating oo the region's boundaries.

"I want to state that authorities will not allow a new hotebed of instability in this ancient region of Georgia," Mr. Shevardnadze said in a regular radio weekly interview.

"All means at our disposal will be used to... prevent any provocation."

Mr. Abashidze said last week armed groups could destabilise Adjaria and lead to Georgia's disintegratioo. He threatened to resign unless central authorities in Thilisi acted resolutely.

Two other ethnic regions of the Trancaucasian state, South Ossetia and Ahkhazia, have been hit by ethnic conflicts since the collapse of the Soviet Unioo. Ahkhazian separatists have driven Georgian troops out of the region and Mr. Shevardnadze can ill afford another rebellion in weakened and tense country.

Georgia is flooded with weapons and armed groups with varying loyalities, beyond control of the authorities.

Adjaria, borderiog Turkey, is a Muslim regin of a largely Christian state. Its inhabitants are oonetheless ethnic Georgians.

The Adjarian capital, Batumi, is a vital Black Sea port.

"I'm concerned about the information coming from Abashidze," said Mr. Shevardnadze.

He said he had dispatched Vice-Premier Avtandil Margiani and security services chief Igor Giorgadze to Adjaria to study the situation. They were joioed by influential deputy Jaba Loseliani, leader of the paramilitary Mkherdriohi (Horseman) Group.

Mitterrand has prostate surgery

PARIS (R) — French President Francois Mitterrand, 77, underwent successful prostate surgery at a Paris hospital Mooday, his personal physician said.

Dr. Claude Guhler said io a statement that Mr. Mitterrand, who had a first operation for prostate cancer in September 1992, underwent the latest operation to remove an obstruction in his urethra which was affecting his kidney.

"The operation, cooducted by endoscopy, went very well," he said in a statement issued by the presideot's office.

A spokesman for the capital's Public Hospital Authority said Mr. Mitterrand might be released from Cochin Hospital as early as oext weekend and would require two months' convalescence.

The operation, which requires a general anaesthetic for the "keyhole" insertion of an optical probe was planned some time ago and Prime Minister Edouard Balladur was notified a week ago, officials said.

It came at the start of France's political summer break, when the president's official duties are light.

There was no sign that his cooditioo woold lead to bringing forward the presideotial election doe next May.

Mr. Mitterrand, who appeared vigorous io ao hour-loog televisioo interview last Thursday, has expressed his determination to serve out his second seven-year term noless illness forced him to step down.

Dr. Gubler said tests and scans conducted since May 5 had pinpointed the problem. Mr. Mitterrand's latest six-moothly health hulletio, issued oo June 30, said all tests were normal and there was no sign of an extensioo of the cancer.

Bosnian Serbs, Muslims debate peace plan

SARAJEVO (R) — Bosnia's Serb and Muslim-Croat parliamentary assemblies were debating the latest international peace plan Monday amid signs the Serbs will say oo and the Sarajevo governmeot will say yes.

The Serb Assembly in Pale was delayed until Monday afternoon, but the Bosnian Serb News Agency said deputies it had polled were "unanimous" that the peace plan in its present form should not be accepted.

The commander of U.N. forces in Bosnia, Lieutenant-General Sir Michael Rose, said at he weekend his peacekeepers might have to pull ont by the end of the summer and make way for a NATO fighting force if the peace plan is turned dowo.

In Sarajevo, Bosnian President Alija Izetbegovic once again gave grudging approval to the peace plan, which divides the country roughly in half betweeo the Serbs and the Muslim-Croat federation.

"I think this plan cannot be refused even if it is unfair. If we refuse this plan the world will think that we want the war option and from that moment circumstances won't be on our side," the Muslim leader said.

In remarks to the Bosnian sabor, a non-governmental gathering of Muslim intellectuals, politicians and other opinion formers, Mr. Izetbegovic said the fact that the Serbs were expected to say no was a good reason for his side to say yes.

The sabor went into closed session after first hearing a head-scarved Moslim women's choir sing patriotic songs.

Much of the sabor's membership overlaps with the parliament, which was schedule to meet later in the day, so any decision by the sabor would be a good leading indicator of what the parliament would decide.

The big powers that drafted the peace plan — Russia, the Uoited States, Germany, Britain and France — want a definitive response by Tuesday and have said anything short of complete acceptance will constitute a "no."

In the event of a rejection of the proposals, the international community has threatened to increase pressure on the Serbs by tightening economic sanctions and ultimately by lifting the arms embargo on the Muslims.

U.S. Defence Secretary William Perry said Sunday NATO and the United States faced deeper military involvement in Bosnia whether or not the warring parties accepted the peace plan.

Diplomatic sources said the Serbs may be asked to adopt a decision calling for more negotiation on the plan, which calls onthem to give up about a third of the land they now hold.

But in Pale, a mountain resort near the Bosnian capital Sarajevo, opinion among the deputies was hardening in favour of rejection of the plan, which has been presented by the international community as the "last chance" to end the 27-month-old war.

"I do not think that the deputies will accept the peace plan since the Serbs are choosing today between survival and disappearance from these regions of the former Bosnia-Herzegovina," said Bosnian Serb Vice-President Biljana Plavsic.

"No matter if the Serb deputies vote to accept or reject the plan, the war in these parts will go on until the Muslim people, under Izetbegovic, give up the idea of forming an Islamic state on Serbian land."

Bosnian Serb leader Radovan Karadzic has said he is ready to call a general mobilisation to defend his people.

As the Serbs staked their claim to the land, the United Nations said it feared a new wave of "ethnic cleansing" was under way in oortheast Bosnia.

Serbs Friday forced 135 Muslim s from their homes, robbed them and pushed them into government territories.

Another 200 to 300 Muslim men of military age were reported to have been rounded np by the Bosnian Serbs in the Bijelina and Brcko areas and taken away.

Meanwhile Croatia's parliament has called on U.N. troops to cut off a breakaway Serb enclave from suppliers in former Yugoslavia and start returning Croat refugees to the region by Sept. 30.

The 27-month-old U.N. Protection Force (UNPROFOR) mandate expires on that day. If there were no progress by then, the mandate would be cancelled, the nationalist-dominated parliament said in a resolution passed late Sunday.

The session was boycotted by opposition parties over what they call the strongman rule of President Franjo Tudjman and parliament's role as a rubber stamp for his policies.

It was a non-bidding resolution but government deputies said they would reconvene parliament in September for a binding verdict on the future of UNPROFOR.

Sunday's resolution demands U.N. troops deploy along Croatian borders now controlled by the separatist Krajina Serbs to choke off their supplies of money, weapons and ammonition from Serb-held Bosnia and Serbia.

It also wants UNPROFOR to hring about the safe return of refugees and — not necessarily before Sept. 30 — secure economic and political reintegration of Krajina into Croatia.

All demands are covered by U.N. Security Council resolutions not implemented because UNPROFOR has not been given the authority or firepower to do so by force.

Spain, France calm fishing row

BRUSSELS (AFP) — France and Spain calmed a bitter fishing row after European Union Monday and Spain agreed to hand back a French tuna boat torched by angry Spanish fishermen on the high seas.

EU Fisheries Commissioner Lonnis Paleckrassas said the trawler, the Gabrielle, which was seized by Spanish fishermen Saturday, would be handed back to French authorities under the control of EU inspectors.

The commissioner said in future, EU inspectors would call on observer ships belonging to EU members and would have powers to check out tuna boats.

Mr. Palesckrassas spoke after taking part in an emergency meetiog here Monday between French and Spanish Fisheries Ministers Jean Puech and Luis Atienza.

Mr. Puech said everyone at the meeting condemned the weekend violence aod claimed French drift nets conformed with EU regulations limiting them to 2.5 kilometres (1.5 miles), including those of the Gabrielle.

In Saturday's incident off the north-west Spanish region of Galicia, Spanish fishermen set fire to the Gabrielle, after cutting its nets which they said contravened EU regulations.

Mr. Paleckrassas said the trawler would soon be taken under tow with EU inspectors aboard to its home port. The inspectors would also estimate the cost of damage to the ship.

A oew meeting was to be held here over whether tuna boats should be able to take a second drift net in case the first net is lost or damaged.

The Spanisb suspect that French fishermen have fled their nets together and Mr. Atienza said he was against "a second drift net even if it is a spare."

Over the weekend, French and Spanish officials traded accusations and criticises before taking the dispute to the EU.

Mr. Puech said the attack was "inadmissible" and broke all the rules of international law," while the French government made a formal protest to Madrid.

Spanish Defence Minister Julian Garcia Vergas defeoded the Spanish fishermen, saying they were "fundamentally right" although their methods were "reprehensible."

Perry assures Romania of U.S. commitment

BUCHAREST (R) — U.S. Defence Secretary William Perry assured President Ion Iliescu and other Romanian leaders Monday of Washington's commitment to stability in Europe and finding a solution to the conflict in Bosnia.

He also said Romania had a special place io future European security arrangements haviog been the first former Soviet Bloc, country to sign up for NATO's "partnership for peace" scheme.

Mr. Perry, on a whirlwind visit to oine Balkan and South European nations, told reprorters his talks went well.

The U.S. looked forwad to closer defence cooperation with Romania and other former Soviet Bloc states; he said.

"The secretary told him (Iliescu) that we are in Europe to stay with 100,000 troops and the president said he welcomed that commitment," a senior U.S. Defence Department official told Reuters.

Mr. Perry also had talks with Defence Mioister Gheorghe Tinca and Foreign Minister Teodor Melescanu on future joint military manoeovres, exchanges of military officers and ways to help Romania reform and modernise its armed forces.

"From my discussions with Mr. Perry, it is obvious oow that there is a clear vision of the United States concerning Europe," Mr. Melescanu told reporters.

"I informed Mr. Perry that one of our main objectives concerning the Yogoslav crisis is the containment of the conflict within the existing area."

Mr. Perry is one of the few senior U.S. officials to visit Romania since Stalinist dictator Nicolae Ceausescu was toppled from power and executed in 1989.

"I believe we are well embarked on a very long period of frieodship and cooperation between Romania and tbe Uoited States wbich will extend well beyond the subjects we discussed today," Mr. Perrey told a news conference shared with Mr. Tinca.

"We would be delighted. As a matter of fact, we have been ready for years," Mr. Tinca told reporters of the prospect of joint defence exercises and closer military ties with the West.

Later Monday Mr. Perry flew to Sofia for similar meetings with Bulgarian government leaders.

His trip will also take in Alhania, Bosnia, Macedonia, Croatia, Greece, Turkey and Italy before he returns to Washington Saturday.

Mr. Perry told reporters Sunday he was anxious to meet Balkan leaders in an attempt to keep the civil war in the former Yogoslavia from spreading.

Mr. Tinca said Romania, ex-Yogoslavia's neighbour, was not only worried about the military dimension of the Bosnia conflict hnt also the economie fallout, which had cost Romania hillions of dollars through embargo-related trade losses.

Mr. Perry will visit the Bosnian capital Sarajevo Friday for diseussioos with Lientenant-General Sir Michael Rose, British commander of the United Nations Forces (UNPROFOR) in Bosnia.

No end in sight for Nigerian oil strike

LAGOS (R) — Leaders of Nigeria's striking oil workers vowed Monday to press on with their stoppage, now in its third week, despite a government pledge to consider freeing detainees including self-declared President Moshood Abiola.

"Nothing has cbanged," Bola Omudunni, president of the senior oil union PENGASSAN, told Reuters.

The strike against Nigeria's vital oil industry has choked off fuel supplies to domestic consumers, forcing many businesses to close in Africa's most populous nation, but has had no major impact on exports of crude.

Mr. Abiola, apparent winner of June 1993 presidential elections that were scrapped, and scores of other people have been detained since May for calling for an end to military rule.

Mr. Ahiola, a wealthy businessman, is on trial for treason for proclaiming himself presideot.

Government representatives met the umbrella Nigeria Labour Congress (NLC) at the weekend and agreed to free the detainees if they would keep the peace.

But PENGASSAN's Omudunni said: "We are oot party to that meeting. We don't belong to the NLC."

The junior oil workers' union, NUPENG, which started the strike before it was joined by PENGASSAN, said its executive committee had resolved not only to maintain the strike but aimed ot make it more effective.

The NLC, whose central working committee was meeting Monday to consider its next move, groups 41 unions but has no control over their individual actions.

It has itself threatened to call ont its 3.5 million members oo strike. Uoionn sources said they doubted the NLC would go ahead with a strike but individnal unions might take their own actions.

Loyalist group claims responsibility for N. Ireland attack

BELFAST (Agencies) — A Protestant paramilitary group claimed responsibility Monday for an overnight attack in which gunmen wounded a dozen people in a puh frequented by Roman Catholics near Annaclone, south of Belfast.

The attackers fired through the windows of the puh late Sunday as some 50 people, including women and children, were watching the last moments of the World Cup soccer final on television.

Only two minutes earlier the landlord had locked the doors of the pub to prevent a coachload of local Gaelic football supporters returning from a match from harging in.

A statement issued by the banned Ulster Freedom Fighters said the "locked, heavy mahogany front doors (of the pnb) prevented our volunteers from inflicting heavy casualties."

The statement said that the incident was in retaliation for similar attacks by the Irish Republican Army (IRA) and in protest at Roman Catholic support for a united Ireland.

Most of those wonnded were able to walk to ambulances sent to the scene, but some were hit in the back.

One witness said the victims were so panicked after the attack that it took some minutes before rescuers could convince them to unlock the doors of the puh.

Medical sources said four men and a woman had been detained in hospital, of whom two had hollet woonds though their lives were not in danger. The remaining three were injured by flying glass.

A month ago, the banned Protestant Ulster Volunteer Force killed six Romao Catholic customers in a puh in the little village or Loughinisland, also south of Belfast.

In that case also the victims were watching a World Cup tie on television.

Loyalist (Protestant) paramilitaries have carried ont attacks on pub crowds in northern and southern Ireland to this year but the nationalist IRA has so far not been accused of doing so.

The loyalists fear that progress in peace initiatives launched by the British and Irish governments last year might lead to a weakening of their position in Northern Ireland and their link with mainland Britain.

The IRA said Sunday it had executed a Belfast woman it accused of being a police informer.

Police discovered the body of a woman Sunday morning io a wooded area of Roslea, near the border with the Irish Repuhlie.

The IRA identified the woman as Caroline Moorhead and said she had been paid bewtween £50 and £100 ($25 and $150) each time she passed oo information about the IRA to the police.

An IRA statement said Ms. Moorhead "was a willing and active informer cooperating with the RUC (Royal Ulster Constahulary) Special Branch since Septemher 1992."

The statement said that "had she come forward at any time, her life would have bene spared."

The statement said her "execution" was intended as a warning to other people who were either currently working with the police or heing approached for information.

Meanwhile, riots involving loyalist Protestant prisoners broke oot overnight in a Belfast jail which had seen similar disturbances three days earlier, the Northern Ireland Office said.

The disturbances, which caused considerable damage, broke out Saturday night at Crualin Road Prison. For several hours, around 100 prisoners ransacked their cells and attempted to break down their doors.

They were protesting at conditions in the jail.

Last Thursday, around a hundred prisoners climbed to the roof of the jail where they stayed for tbree hours, throwing tiles at guards and police.

Damage on the occasion was estimated at £20,000 ($30,000).

On Sunday, Gerry Adams, leader of the Irish Republican Army's political wing Sinn Fein, adopted a tough stance on the future of Northern Ireland saying it was not a matter for the province's rulers Britain to decide.

It was the latest of several hardline statements from Irish Republicans. It came 24 hours after Britain urged the Irish government to amend its constitutional claim to Northern Ireland.

Violence in the province has escalated since Duhlin and London first prevented a plan outlining initial steps to end 25 years of political and sectarian strife in the region.

Mr. Adams said Britain should limit itself to creating the conditions for peace, not dictate its terms.

"The future of the people of this island is a matter for all the people of this island. It is not the business of the British government," he said.

"Its future role in our affairs must be to create the condition in which all our people can exercise our right to national self-determination free from external impediment."

In their so-called Downing Street Declaration last December, London and Duhlin offered Sinn Fein a place in talks on the province's future if the IRA gave up its violent struggle to end British rule over the province.

Sinn Fein is still preparing to give its definitive response to the Anglo-Irish plan, having sought elarification over a number of issues.

On Friday London and Duhlin decided to postpone a summit on moves towards peace when they failed to agree on how to encourage rival Repuhlican and loyalist political parties to the negotiating table.

Repuhlicans helieve the North's staunchly pro-British Protestant majority, determined to retain links with London, has had an effective stranglehold over Britisb government policy in the province.

Mr. Adams said Sinn Fein had always argued that the consent of Protestant unionists was needed for peace in the province, but said they could not have a veto over British policy.

"The unionists cannot bave a veto over British policy and the British government must stop hiding behind the pretence that tbey do," he said.

"In any future negotiations on the constitutional issue the aim must be to hring about a just and lasting settlement," said Mr. Adams.

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History vs reality on ground

IT IS generally agreed that the opening of talks yesterday between Israel and Jordan in Wadi Araba represents yet another breakthrough in the quest for peace in the Middle East. The fact that Jordanians and Israelis were able to see their own people talking to the other side, face to face, on the border of their two countries, live on television, means that something new is happening and it could change the face of peace-making in the region for good.

That change will be further deepened tomorrow when the Prime Minister, Abdul Salam Majali, meets with the Israeli foreign minister, Shimon Peres and the U.S. Secretary of State Warren Christopher on the eastern shore of the Dead Sea.

Secretary Christopher will be arriving in Jordan from Syria where, hopefully, he would have been able to achieve solid progress on the Israeli-Syrian track, thus opening the way to a truly positive change from which all parties can benefit and proceed to the next step with added confidence. Should this turn out to be the case, then His Majesty the King's trip to Washington, and his meeting with Prime Minister Yitzhak Rabin and President Bill Clinton, could provide the right impetus for the peace process to take off from there.

But while all these meetings and talks are indeed important, even crucial, to success of the peace effort, the real breakthrough cannot be achieved unless the outstanding issues and disputes are resolved according to U.N. resolutions and international legality, which all parties have accepted as the basis for an Arab-Israeli settlement. Issues like territories, water, refugees, Jerusalem, and security have not yet been addressed seriously and properly; and unless they are, particularly by the Israeli side, meetings can go on for a long time without true peace being established.

Eliyakim Rubenstein, in his address to the opening session of the talks yesterday, expressed hope and sounded upbeat about both the past and the future. But he somehow stumbled when mentioning, or failed to mention, today's problems and their solutions. The present, Mr. Rubenstein ought to be reminded, is not about some project to develop Wadi Araba or a joint desalination plant to provide more water. It is about returning territories occupied by Israel, as a first step, and then discussing what might be done with bordering territories later. The present is about acknowledging neighbours' water rights, right at the outset, and moving to build plants to increase water supplies at later stages.

Jordanians, Mr. Rubenstein, might want to know, feel that the gestures that they will have made by this time next week will be enough for Israel to start a process of reciprocity towards Jordan. This country can ill-afford protracted negotiations that would produce nothing for its people.

ARABIC PRESS COMMENTARIES

JORDAN is today the focus of world public attention not because of the talks at Wadi Araba but rather due to the credibility of its leadership and its orientation towards durable and just peace, said Al Ra'i daily Monday. The Wadi Araba talks should be viewed within the context of the Kingdom's ongoing efforts to attain the aspired peace and as a prelude to regaining its lost territory and other rights, said the paper. Quoting His Majesty King Hussein's words to the Armed Forces earlier this week, that men should not fear an encounter with other men to discuss rights and justice. The paper said that Jordan was entering the negotiations at Wadi Araba to guarantee the nation's rights and ensure a stable and secure future for the coming generations. In a clear commitment to the peace process and in a demonstration of Jordan's determination to pursue efforts to arrive at peace, the King Sunday issued directives to the government to ensure facilities for the Jordanian delegation to make their mission a success, noted the paper.

Discussing Sunday's clashes between Palestinian youths in [illegible] troops, a columnist in Al Dustour said that [illegible] the security arrangements and Jordanian-Israeli agreements on Palestinians travel to and from the occupied lands are so fragile that any incident could cause total chaos. Taher Udwan said that the Israeli government is to blame for the incident in which two Arabs were killed because the Israeli authorities ignored the bilateral agreements and wanted to subject the Arabs to further repression.

The View from Fourth Circle

By Rami G. Khouri

Peace makers and the art of weaving modern tents

IN THE end, after decades of warfare, hesitation and emotional contortions, Jordanian-Israeli peace making came down to a meeting in a tent in the desert. As far as symbolism goes, the Jordanian-Israeli negotiations that opened in Wadi Araba yesterday are probably the most significant single event since the start of the current peace-making effort that was inangurated at the Madrid peace talks in 1991.

The Wadi Araba talks are paramountly symbolic because the physical presence of official Israeli negotiators on Jordanian territory breaches an immense psychological barrier that has always bedevilled the Arab-Israeli conflict. That also unleashes powerful sentiments and forces that bode well for the future of both countries, and for the region as a whole. The psychological barrier of Israelis negotiating on Jordanian soil is not a mere emotional symbol. That barrier had been damaging, because the absence of peace has meant the dominance of confrontation, which in turn has meant sustained emotional tension and physical suffering for Arabs and Israelis alike.

It is sad but true that the Egyptian-Israeli peace has not brought either side the national progress, economie advances and psychological serenity that they had hoped for, because the Egyptian-Israeli conflict was a sideshow to the main confrontation between Zionism and Arab national rights in Palestine and the surrounding Levantine region. Egypt bas deteriorated badly in the last decade, because it bas not been able to address the root causes of its domestic problems, partly because it has not been able to develop its bilateral peace with Israel into a dynamic of regional cooperation for economic and social progress.

The Wadi Araba meetings are qualitatively different. They come in the wake of the Palestinian-Israeli accords on Palestinian self-government and they bold out the promise to Israel of working with its Levantine neighbours on the most pressing issues that will preoccupy them all in the future, namely issues of water, mutual economic expansion, resource development, investment flows and environmental protection. What Israel really needs, it could not get from Egypt alone. It can get it, however, from the talks under way with the Palestinians, Jordan, Syria and Lebanon, building on the base of the peace with Egypt.

For the first several decades of the Arab-Israeli conflict, Israel was primarily concerned about its physical security and its survival. These goals were soon assured by the combination of Israel's militarism and its strong strategic support by the United States. In recent decades, though, Israel's overriding goal has shifted from survival to acceptance in the region by its Arab neighbours. The Wadi Araba talks, more than any other single recent event, symbolise Jordanian and, by extension, Arab readiness to accept Israel as a member of the club of Levantine nation-states.

This acceptance, however, is neither unilateral nor cost free, for in return Israel has to accept several important realities: the national rights of the Palestinian people, the sovereign, territorial and natural resource rights of Jordan and the other Arab states bordering Israel, and the principle of mutual cooperation for the benefit of all states in this area. The Wadi Araba talks both inaugurate and validate this historic deal.

Appropriately, the deal is being negotiated and consummated in a tent in the desert — a tent that was erected almost overnight, and a tent that, in keeping with the nature and culture of the shelter, can move further afield, to other lands, countries, people and issues. It is tempting to view the venue of the tent as a profound statement about the political culture of Arabs and Israelis. The tent is the traditional home of nomadic Arabs and Israelis, dating back thousands of years. It is both sturdy and mobile, and an apt symbol of the cultural identities that bind Arabs and Israelis in a long historic legacy.

The symbolism of the tent as venue for peace-making and detente, leading to Arab-Israeli reconciliation and cooperation, is supremely important because it reveals what I believe will soon emerge as the single most important long-term dynamic under way in this peace-making process: the orientalisation of Israel, i.e. not just the acceptance of Israel by the Arabs as a legitimate Levantine state, but, eventually, the full integration of Israel and of Israeli Jews into the wider *and regionally dominant Arab/Islamic/Semitic culture of this* region. This is the only surefire long-term guarantee of the security and acceptance of Israelis and Jews in our region, which is what they claim to want, and I believe them. That this process should have started in a tent in the Arabian desert is not only appropriate, but probably also inevitable.

Jordan has taken a daring step to move forward quickly in its bilateral talks with Israel and to raise the level of official public meetings to the level of prime minister and head of state. Many will debate the appropriateness or wisdom of such moves, but two things are very clear already: the majority of Jordanians accept these steps, whether fatalistically or enthusiastically, and Jordan stands to gain much from the process. The anguished, sincere yet outdated protestations of those in the Arab World who fear "normalisation" with Israel will be heard yet, though only dimly and for just a little while longer; they will have little or no political impact on the forward movement of those who meet and make deals in oriental tents.

The process of peace making and national rejuvenation will continue apace because both sides gain significantly from the deals now being made. Israel gets the Arab acceptance that it has craved for so deeply for many decades, and Jordan gets the appropriate recognition and economic support that it needs for its long-term well-being. Both sides recognised in recent years that the cycle of warfare, exaggerated military expenditures and domestic political tension that derived from the Arab-Israeli conflict was not only wasteful and often uncomfortable, but was also becoming precariously threatening to long-term national security and survival. The cycle of confrontation that had bogged down in diplomatic stalemate in the 1970s had deteriorated by the early 1990s to a point where Jordan and Israel were among the world's most highly indebted nations, in terms of per capita foreign debt. Also, both parties suffered serious domestic political challenges from the right, sometimes coupled with threats of domestic instability and violence.

All of these pressures and threats, in the best oriental style, are now on the way to being resolved in a desert tent. This particular tent, however, is not only a symbol of our ancient cultural ways, of past times and romantic cultures — for this is no ordinary tent. It is, like Israel and Jordan themselves, a tent that has accepted two of the most important challenges of the end of the 20th century: globalism and modernism. The tent, you see, is air conditioned; it is also electronically plugged in to the rest of the region and the world via transnational media communication satellites. It is a tent whose form speaks of the past, but whose function speaks of the future.

The tent symbolises our mutual ability to face the future in a rather rational manner — to face the challenges of transforming our ancient societies into viable modern states and of promoting social and economic well-being and political stability through regional and global interaction, rather than through a false dependence on foreign support, patronage or protection.

For a tent, after all, is a rather fragile structure. Unlike a fortress, a tent is not designed to withstand military or economic siege. A tent provides viable shelter not through its own inherent physical strengths, but through the infinitely more powerful and lasting force of social, political and cultural acceptance by one's neighbours, by those who dwell in other tents in adjacent or contiguous tribal territories.

In the short term, Israel and Jordan will derive significant economic and political benefits from the deals they strike in the tent in Wadi Araba. In the long term, though, today's emotional challenges of assuring national survival and asserting national sovereignty will be replaced by tomorrow's more difficult logistical dictates of sustainable development in the face of tremendous population pressures and natural resource imbalances. The greater task we face is that of symbolically weaving a larger tent that shelters all the Semitic people to this region. This requirement is already being addressed through technical discussions on joint, bilateral and multilateral cooperation projects in transport, environmental protection, water and other fields.

If this peacemaking process takes years, and if we have to achieve all our rights and aspirations in a phased, patient manner, then so be it. Some see this as a great Jordanian shame. Most, however, see this as a sign of pragmatism, realism and maturity. It is important to keep in mind that in cultures of tents, patience is a virtue. It takes time to weave and erect a strong tent; but if this process is done with purpose, vigilance and patience, the tent lasts for decades, perhaps even centuries.

The making of the tent — the manner and particularities of political negotiations — is not the primary issue here. The primary issue is the humanity and quality of life of the people who live in the tent — the great test of redressing their past injustices, dissipating their contemporary fears and assuring their future well-being. Weave, guys.

Two governments co-exist in Sri Lanka's north

By Feizal Samath
Reuter

JAFFNA, Sri Lanka — In Sri Lanka's northern Jaffna peninsula there are two parallel governments, one run by the officially elected leaders in Colombo and the other by Tamil rebels.

The Sri Lankan government can't abolish the rebel administration due to rebel military superiority in the area.

The Liberation Tigers Tamil Eelam, fighting for an independent homeland in the north and east for Sri Lanka's 2.5 million Tamils, also must accept Colombo's presence.

"The Sri Lankan government has far more resources than we do. So we allow them to run, with little interference, hospitals, schools and supply essential food, fuel and medicines," Tiger spokesman Anton Balasingham said.

Both sides say they are prepared to discuss an end to the fighting, which has dragged on for 11 years and killed more than 30,000 people. But they disagree on conditions for talks.

"We are systematically setting up a structure for self-rule. We can't wait indefinitely. The people need an administration," Mr. Balasingham said.

The rebels run a customs and immigration service at entry and exits points to and from Jaffna, a judiciary with district and appellate courts, police and a commercial bank. They have a radio station and newspaper and plan to open a television channel later this year.

Senior fighting cadres undergo training in administrative work and are placed in key positions to prepare for a day when the rebels hope to govern on their own.

"They are highly disciplined and the administrators are guided by civilians who have had experience in these fields," a journalist said.

The rebels' boldest aim is to be self-sufficient.

"Our motto is to stand up on our own legs and develop our own economy," said Ponnambalam Kandan, a former military commander and now deputy director of TEEDOR, the Tamil Eelam Economic Development Organisation.

Mr. Kandan, whose office works on a 160 million rupee ($3.2 million) annual budget, said the rebels were identifying resources available in the region to encourage local production.

Another TEEDOR official, Vincent Joseph, said the region only lacked fuel and medicines. "Like the Sri Lankan government, we can import these items," he said.

TEEDOR has developed low-fuel cooking hearths out of clay, biogas units using cow dung and urine, charcoal-fuelled water pumps and other creations for industrial and household use.

"We have to use primitive methods because our technology is based on available resources," Joseph said.

The Colombo leaders' administration is headed by an official called the government agent, who is responsible for collecting various taxes and handling civil works.

But in recent years, the agent has been preoccupied with the distribution of food, fuel and medicines.

Officials at the Kachheri, the government agent's office, say revenue collection has stopped because of the war. The rebels collect taxes from businesses, vehicles and other goods, raking in a tidy sum each month.

While work such as repairing roads or irrigation tanks is neglected, the government services like hospitals, schools and postal services continue to function.

Yet a large number of the 35,000 public servants in the peninsula get regularly paid for doing virtually nothing, not because they are idle, but because the rebels have rendered them virtually redundant.

Movement in the Middle East, but Jerusalem looms

By Flora Lewis

PARIS — The long voyage towards peace in the Middle East is now fully launched. There is still no guarantee of ultimate success, but the summit talks in Paris two weeks ago and new negotiations in Cairo on extending Palestinian automony to the whole of the West Bank mark a crucial new stage.

Both Israel's Yitzhak Rabin and the PLO's Yasser Arafat are now personally engaged to the point where neither could outlast a failure. They both know it, and it creates a firm interdependence.

They are sticking by their initial agreement to hold off tackling the most difficult issues — Jerusalem, a Palestinian state, the Jewish settlements. But, willy-nilly, these points are slipping onto the table and it is getting harder and harder to avoid them.

The next decisive step will be Palestinian elections. There has been a curious reversal of roles. Until a few weeks ago, the Israelis were pushing for a vote as soon as possible. In both its dealings with the PLO and its arguments with its domestic opposition, Mr. Rabin's government will be better off with a democratically validated interlocutor, an autonomy regime arising from the ballot box.

Mr. Arafat was holding back, insisting first on working out complex details of autonomy. Now he is pushing for an early vote, even contacting ex-President Jimmy Carter about organising an outside election monitor team. Given Mr. Carter's role in Israel's first peace treaty with Egypt, that is both highly appropriate and symbolic.

According to PLO sources, what spurred Mr. Arafat was first the promise that the Hamas movement, which opposes the peace process, would not try to disrupt carrying out the Gaza-Jericho agreement. Even more important has been his reception on his first visit to Palestine since the 1967 war, too long delayed but nonetheless reassuring to him. He is not worried now about winning elections.

Yasser Arafat talking in Gaza

But the Israelis are getting more concerned about the disputed questions to be resolved before the vote can go ahead. The key ones concern Jerusalem. In their secret Oslo accord, the two sides agreed that Arab residents of Jerusalem could "participate," which the Israelis contend means the right to vote, in their view from outside the city limits. The PLO says it also means the right to run, implying representation of parts of Jerusalem.

Mr. Arafat has offered a surprising compromise on where Jerusalemites should vote, suggesting polling stations inside religious establishments, for example the Al Aqsa Mosque and the Church of the Holy Sepulchre. It is a gimmick, but an encouraging one, shifting the emphasis from political to religious affiliation. Israel has long promised full freedom of access to holy sites and religious autonomy.

The United States is not as yet involved in the issues of how to hold elections, but it should encourage the Israelis to be forthcoming, because this will be the best way to consolidate achievements so far.

Nabil Shaath, the chief PLO negotiator, has introduced another gimmick to hold off deadlocks. He calls it "rules of the game," under which each side is considered free to state what its ultimate position will be when talks move to the last stage for a permanent settlement, without prejudicing current stands. Israel can hold to proclaiming sovereignty in all of Jerusalem as its "eternal capital," and the PLO can proclaim its future capital in Jerusalem without blocking intermediate accords.

This is useful. But it shows the importance of moving on quickly to think about innovative approaches for the city's future.

The original United Nations plan to internationalise Jerusalem is obsolete and must be dropped. Both sides agree on that. And already Israeli peace supporters recognise that some way must be found to accommodate Arab emotions, Arab claims, Arab self-rule in the city. PLO peace supporters accept that the city cannot again be physically divided.

For nearly a decade, John Whitbeck, an international lawyer in Paris, has argued for "two states, one capital," what he calls a "condominium solution" that would be the "best second choice for everybody." There are variations on the head-cracking theme. Mr. Whitbeck is right; that the time has come to discuss them and prepare for inevitable compromise.

Peace cannot be forced on still wary enemies. But the rest of the world's eager yearning for them to achieve it is an important element in reinforcing the momentum.

Mr. Rabin says he needs more time to move his people to accept the constraints that peace will bring along with rosy opportunity. Mr. Arafat says he needs more money to convince his people of the benefits they can expect with those constraints. There is some of both available.

The movement is progressing from words to deeds, at last.

Zandani wants Islamic law

(Continued from page 1)

new look at the basic principles of Islah and clarify them in terms of the modern context," he said.

He said an Islamic economic system would resemble a free market economy but would retain a state welfare system to care for the poor.

He also denied the existence of Islamic training camps in Yemen, answering allegations by southern leaders that activists, especially from the Islamic Jihad movement, were based in the country.

Meanwhile an exiled southern Yemeni leader denied Monday Mr. Beidh had given up politics for good.

He told AFP by telephone from the Saudi Arabian city of Jeddah: "We deny that Beidh has renounced politics," as Omani Information Minister Abdul Aziz Al Rowas maintained in Sanaa on June 11.

Mr. Beidh fled to Oman just before northern Yemeni troops took Aden and Mukalla.

According to sources who asked to remain anonymous, Mr. Beidh signed a statement issued Sunday by the "presidential council" of the breakaway "Yemen democratic republic."

It called on the international community to "force the regime in Sanaa to end its crimes in Aden which place it among terrorist regimes."

In the initial days following the fall of Aden on July 7, looters including northern soldiers and tribesmen stripped the city bare.

Historic peace talks open

(Continued from page 1)

or two years," before a peace treaty is signed.

Jordaoian negotiators echoed the same theme and repeatedly told the press bere that the bilateral talks bad to be seen "as a ladder" and now "we are on the first rungs of that ladder" — a ladder tbat Jnrdan feels should lead to a comprehensive peace settlement, "hnping that the Jnrdanian track will spill over to other tracks," as Dr. Tarawneb put it.

Even tbe Israeli press appeared to be atuned to the idea nf secnring a peace accord with Jordan in a matter of months. The empbasis of qnestions posed by Israeli journalists to the negotiatnrs were more to do with "separate peace deals" and "normalisation" of relations than with the progress, or the lack of it, in Mnnday's negotiations.

Jordanian spokesman Marwan Mouasher said Monday's talks focused nn modalities of the negotiations and on forming sub-committees, "where they will meet, how they will meet (and) when they will meet."

As the talks got underway, Israeli Deputy Fnreign Minister Yossi Beilin said Israel and Jordan could seal a peace treaty within six months.

"The work which awaits us is difficult, but we can reach an agreement with Jordan in a few months," Mr. Beilin said.

"We can wrap it up in six months and if King Hussein is ready at that moment we can sign a treaty."

But he was only underlining the divisive issnes wben he told Israel Radio: "Between Jordan and ourselves there is not the problem of Jerusalem, the problem of secure borders, of a (Golan) plateau as with the Syrians or of disarmament."

According to Mr. Beilin, only four kilometres of the common border was accepted as such by both countries.

"It's a very long border which has never been drawn up. We now have to agree on every centimetre, not just on maps but on the ground," he said.

Jordan is seeking the return of more than 380.9 square kilometres of land along the ceasefire line, most of it between the Red and Dead Seas.

"As for water, our Arab partners start from the principle that we owe them water since 1948," when Israel was created, Mr. Beilin said.

"Our approach is rather to share water and to increase the drinkable quantities," he said.

Talks conceotrating on security, borders and territory as well as water did actually take place Monday in Wadi Araba. But at the end of the day, when the heads of the two delegations faced the press there was little to say, save for remarks highlighting the day's historical significance and addressing old qnestions over issues that yet have to be negotiated and agreed upon.

Yet, despite the infancy of these talks, hotb sides emphasised their historical importance. Not only were these bilateral talks the first to be held in the region since the Middle East process was launched in October 1991, they were also held at a spot that onderlined the geographic proximity as well as the traditional division between the two neighbouring states.

As journalists were bussed to the site, it was evident that the desert road from the city to the site ran parallel to a similar road across barbed wire in Israeli territory but nevertheless within sight.

Aqaba itself brightens the view across the waves for those living in Eilat the same way that the Israeli port lnres Aqaba residents with its bright lights and imposing buildings.

But the sense of closeness was lost the minute everyone reached the area of negotiations. Apart from the self-enclosed area surrounding the yellow-striped white tent where the negotiations were being held, barbed wire appeared to be zigzagging around smaller tents and prefabricated houses that either were on "their side" or on "our side."

The division was physically maintained, and at times it appeared that this "peaceful" white tent wbere the negotiations were being conducted, was placed in the middle of the site precisely so that it nbliterates the scenery on the other side of the internatinnal border.

Despite the wise cracks from the Israeli side, and the smiles and cordial atmosphere from the Jnrdanians, the political landscape did not appear to have changed.

Both sides agreed that they are nn tbe right track, falling back repeatedly to the scheduled July 25 meeting between His Majesty King Hussein and Israeli Prime Minister Yitzhak Rabin as proof of their commitment.

But while the Jordanians pressed ahead with their demands for rights, the Israelis pnblicly fudged on commitments on borders and water.

Mr. Rubenstein was very forthcoming in showing his pleasure at being seated next to his "colleague and friend" Tarawneh. But he became less forthcoming when asked about substantive issues on land and water.

He refused ro publicly admit that Israel occupies Jordanian territory and while conceding that there are water shortages "in both countries" he failed to mention Israel's denial nf Jordan's water rights.

Dr. Tarawneb handled the whole deal differently. "We are here to solve the roots of the problem. We want comprehensive peace. A peace treaty will come after," be said. It was a theme that the Israelis did not or did not want to understand and the Jordanians kept pressing throughout the day.

When asked about borders, both sides agreed that demarcation would require a lot of hard work and time. But while Jordan keeps reminding Israel that there is a binding border line drawn out under the British mandate and one tbat was accepted by Israel as part of the common agenda, Mr. Rubinstein referred to this as "territorial wishes."

Mr. Rubinstein may have sought to hit the nail on the head when he said: "It will oot be instant coffee, but the task will be done in good spirit."

Whether instant or otherwise, the task is likely to remain a distant goal when the delegations fold their files and return to their governments today.

Jordan:No separate solutions

(Continued from page 1)

The prime minister also stressed that "Jordan believes in reaching a comprehensive solution and just settlement despite the varying paces of progress io the various tracks of Arab-Israeli peace negotiations."

Dr. Majali said Jordan was seeking to restore its "full national rights in land and water and a solution to the problem of refugees in Jordan, the country that hosts the largest number of refugees," Petra said.

The prime minister said the King's visit to the U.S. in June had helped in improving bilateral relations and in addressing Jordan's economic problems through facilitating debt relief for the Kingdom and adjusting the Jordanian-American trade balance.

The Syrian stand that Damascus was not conceroed with the King's scheduled meeting with Mr. Rabin was unveiled by American officials travelling with Secretary of State Warreo Christopher, who arrived in Israel late Monday. The report came in a Reuters dispatch from Shannon, Ireland, where the secretary's plane made a refuelling stop on his way to the region.

"He (President Assad) as much as said: Well, that's King Hussein's busioess," a senior official was quoted as saying by Reuters. "It wasn't a problem."

Before annouocing the July 25 summit, Mr. Clinton held a 35-minute telephone conversation with Mr. Assad in what officials said was an attempt to reassure him that Washington was also keen to see progress in Syrian-Israeli peace talks.

Some U.S. officials remain concerned that Syria will feel left behind in the peace process which began three years ago and has seen agreements between Israel and the Palestioe Liberation Organisation (PLO) and oow progress with Jordan.

"Assad has said that as far as he is concerned, he is focused on what be is doing with us," said the official, briefing reporters on condition he was not identified.

Historic meeting to 'culminate in a treaty of peace'

The following is a speech delivered by Ambassador Fayez Tarawneh, head of the Jordanian delegation to the border and security talks held at Wadi Araba Monday.

Speech
by
Ambassador Fayez Tarawneh,
Head of the Jordanian Delegation

AT THE ontset I should like to welcome you and to make the observation that our meeting today represents an important junction in our common search for peace. It is appropriate, on this occasion, to reiterate my government's commitment to a just, lasting and comprehensive peace. It is in pursuit of this lofty aim that we come here today to commence, in good faith, negotiations in order to find mutually satisfactory solutions to some important items nn our agenda. It is our expectation that the satisfactory results of the negotiations and accepted agreements will culminate in a treaty of peace that delineates carefully our rights and dnties under conditions of peace. By doing so, we minimise the areas of future friction and disputes thus contributing to the establishment of a desirable peace with tangible results that can be enjoyed by all people in our region.

Our meeting today also represents a delicate balance between the need to address all questions on the agenda on the one band and, on the other, the desirability of making immediate progress on some of those issues. We shall of course honour our commitments and implement them in good faith.

Although the process nf peace building is arduous, given the complexity of some of the issues involved, we can take comfort in the fact that we do nnt start frnm scrateb. We bave agreement on a common agenda and in the last meeting of the Trilateral Commission in Washington we were able to finalise common sub-agendas ou borders and other territorial matters; on security and on water.

With respect to borders, while maintaining the integrity and the totality of the issue, we think our work will be considerably facilitated if, concentrating nn the area where the proposed road is contemplated, we conld begin by discussing the modalities for the preparation of joint maps. This could be follnwed nr, as necessary accompanied hy a joint physical survey of the area in question. May we express the confident hope that the experience gained from the work of the sub-commission on borders will be useful for the work of other sub-commissinns and will therefnre facilitate our work.

At the same time, we are fortunate in that the sub-agenda on water, energy and the environment bas been finalised. We propose that we should enter immediately into substantive negotiatinns on these important items.

Similarly, work on the security sub-commission should commence. We are glad to know that the sub-agenda fnr the sub-commission on security was satisfactorily finalised in our last meeting in Washington.

It is obvious that there is a great deal nf interdependence between the work of the three sub-commissions. We hope that we can establish a reasonably flexible structure to ensure coordination nnder the umbrella commission, to avoid duplicatinn of effnrts and to arrive at an integrated solution. It is equally obvious that a similar degree of interdependence exists between the topics we are now dealing with and nthers on the commnn agenda which will be negotiated once progress has been achieved nn our immediate task. We also agree that negotiations nn economic matters will continue in order to prepare for future bilateral cooperatinn.

As our meeting begins, we should be motivated to live op to the forthcoming historical responsibilities. In a week, His Majesty King Hussein will meet in Washington with the Prime Minister of Israel, Mr. Yitzhak Rabin, as guests of President Bill Clinton. The United States Congress will host both leaders as an indication of the commitment and dedieation of tbe American people and administration to the cause of peace.

In addition, the trilateral meetings which are scheduled to meet the day after tomorrow shall witness another historic event where the foreign ministers of Jordan, tbe United States and Israel will meet. The political will to construct lasting peace, as embodied in these meetings, should underscore our resolve to see to it that the outcome is practical achievement and is commensurate to the hopes and aspirations of our people.

Lastly, I should like to reiterate my words of welcome. My government will not spare any effort to create conditions conducive to the comfort and well-being of all participants in this meeting and we hope that our location which bears testimony to the imperatives of georgraphic proximity and interdependence will inspire us to arrive at tangible results so that the fruits of our common endeavours may be felt by ordinary men and women in our long suffering region.

Thank you.

Rubinstein: Peace should and will be permanent

Speech
by
Eliakim Rubinstein,
Head of the Israeli Delegation

My FRIEND and colleague Ambassador Tarawneh, head of the Jordanian delegation,

My Israeli and Jordanian colleagues, ladies and gentlemen,

With God's help, we have today reached an important milestone in our work together, hopefully leading to the desired treaty of peace between Israel and Jnrdan. On Wednesday, our Jordanian colleagues will extend tn us their bospitality on the Jordanian shore of the Dead Sea, when the trilateral U.S.-Israeli-Jordanian Econnmie Committee will convene to be blessed by Prime Minister Majali, with whom we wnrked in his former incarnation as head nf delegation, Foreign Minister Shimon Peres and Secretary of State Warren Christopher.

This special historic period will culminate next Monday in the meeting in the White House, hosted by President Clinton, between His Majesty King Hussein and Prime Minister Rabin. This unprecedeoted event should usher a new era in our relationship.

Ladies and Gentlemen.

This meeting takes place in a tent. The tent is tentative, but peace should and will be permanent. We are at a very warm spot of our two countries; the temperature is high. It is nnly natural to express the bope that the Israeli-Jordanian peaceful relatinns will be warm forever. The arrangements bere tnday have been jnintly implemented by both sides. This spirit nf cooperatinn shnuld inspire us in the future.

Friends and colleagues,

The peace we seek is between two states, but also between peoples. Our wnrk with our Jnrdanian cnlleagues for over two years bas convinced us that the potential for nur relationsbip tn prosper is there, and the moving nf the negotiations to the region, which was suggested by us ever since the beginning of the Madrid peace process, shnuld bring even closer home to the peoples of Israel and of Jordan the message of peace.

We are meeting today close tn sites that have witnessed important events of history, ever since ancient days — biblical and Jewish bistory, Arab history, world history. We are today near the gulf nn the shores of which the two thriving adjacent cities nf Aqaba and Eilat, the southern tip of both countries, prosper as centres of tourism and maritime transportatinn. We are presently at the Jnrdan Rift Valley, the area connecting our two countries, with the most imaginative potential fnr future joint ventures, lurning the Dead Sea into the the sea of life and the valley into a valley nf peace. This shnuld include tourism, resource development and explnratinn of minerals. There almost is nn limit to what can be achieved bere in the new era.

My colleagues;

Historically, there has been no animosity between Jews and Arabs on botb sides of the Jordan River. During the mandatory period for instance, friendly contacts were maintained between our two leaderships, and their taste has not totally diminished follnwing the war that had divided us since 1948, including bitter moments of human suffering and hostility, à la guerre comme à la guerre. Nevertheless, the Israeli leadership continued over the years to have respect for the Hashemite Kingdom and the Royal Family. The last 24 years of relative calm on our ceasefire line have strengtbened this perception.

The new borizons opened up by the Madrid conference of 1991 have, for the first time, created a political negotiating framework for Israelis and Jordanians, to sit around a table and discuss peace. In the beginning Jnrdan provided a roof for a jnint Jordanian-Palestinian delegation. On September 14, 1993, Israel and Jordan signed their first substantial agreement, the common agenda, which has served as the basis for continued negotiations. It was complemented by a number of agreements in June 1994, wbich have ushered this day. Our work so far included also the Israel-Jordan-U.S. Econnmic Committee, announced in Washington in October 1993 by President Clintnn, Crown Prince Hassan and Fnreign Minister Peres. Our negotiations bave been marked by a cordial atmosphere between the delegations, a human touch, and a sense of humour, even in difficult situations.

Ladies and Gentlemen,

The relationship with Jordan has been central to Israel's peace policy. Fnr a while, after the agreement with the Palestinians, an impression could have been created that the Israeli-Jordanian track has been somewhat sidetracked. What we see nowadays, this week and next week, attests to the contrary. We look forward to the negotiations with Jordan, which are part and parcel of the overall bilateral and multilateral effort of peace between Israel and its neighbours.

What is on our plate in the coming days? There is a message we would like tn convey. There is no doubt in our minds that our bilateral matters can be negotiated and finalised in a treaty of peace. Nevertheless, the issues are not easy. The boundary between the two countries has never in histnry been delimited nr demarcated, no single, person nn earth knows exactly the location of the boundary. In our common agenda agreement we made reference to mandatory definitinns; but the prncess which will lead to the erectinn of boundary milestones requires hard wnrk, deprived of media limelights, in the burning sun. However, it will be achieved. In this framework, we should make common use of the boundary area for creative development, through joint economic ventures. The proposed Jordan-Israeli-Egypt road would be a significant acbievement symbolising peace.

Water is the lifeline of every buman being. The God-given rain water and the Yarmouk and Jordan rivers water will not be enougb to botb of us, before or after allocations are agreed upon. We must develop, in addition, through desalination, new resources; we must also work towards maximising the availability of existing waters, which must be saved. It is a complex mission but again workable. This subject is coupled with environment, the new layer of civility, aimed at the alleviatinn of human suffering and improving the quality nf life, and with effnrts tnwards creating sources of energy to both countries.

Security is a cornerstone of peace, and it means a variety nf efforts to build confidence and tn assure against terrorism and third party military manipulation. This, too, is an achievable goal.

Peace must inelude, of course, the whnle range of relations — diplomatic and economic, including free trade and abolition of boycotts. People on botb sides must interact with each other. Matters may develnp gradually, paralleled to effnrts in all the spheres, sometimes in small mutual steps. Visible events, such as a meeting between His Majesty King Hussein and Prime Minister Rabin, could definitely help in breaking the psychnlngical barriers.

Friends and colleagues,

Let me conclude by quoting Prophet Isaiah (35:1,6), wbose eternal words are so appropriate here and now:

"The Wilderness and the dry land (Arava) shall be glad thereat; and the desert shall rejoice, and blossom as the bly .. for in the wilderness shall water break out, and brooks in the Arava."

Thank you.

Russian 'elephant' finds it hard to get through European door

By Christoph Bertram

HAMBURG — Russia signed two agreements last month intended to cement its new relationship with the West: the "Partnership for Peace" with NATO and the "Partnership and Cooperation Agreement" with the European Unioo (EU). Now it has taken part in the Group of Seven (G-7) meeting of leading industrial nations at Naples.

Russian and Western leaders have hailed these events, once more as the end of Russia's long isolation from the democratic West. And yet Europe is drifting apart, and all the wonderful warm words of partnership merely expose the new divide.

Russia's foreign minister, Andrei Kozyrev, stated the problem succinctly when he told Itar-Tass, "it is more difficult for an elephant like Russia to get through the door thao for a small poodle."

Russia, in fact, does not fit into either of the Western institutions that have any substance of power today, NATO and the European Union. Both would collapse under the weight of the elephant. If the Group of Seven or Eight can afford Moscow's participation it is because, contrary to public myth, it is a debating club, not a decision-making body.

Russia itself has realised that there is no room for it in either of tbe organisatinns in which the West makes up its collective mind.

In the run-np tn the various Partnersbip signing ceremonies, Bnris Yeltsin oo longer pushed for Russian membership hut instead tried to subject these institutions to a European superstructure, the Conference on Security and Cooperation in Europe (CSCE), in which Moscow would have a blocking vote.

The Russians will continue to try, but tbeir beart is no longer in it. In Brussels, Mr. Kozyrev accepted that sooner rather than later some of Russia's former Warsaw Pact allies would join the Western security cluh. He pleaded only that the extension proceed with care, since the Russian populatinn needed convincing that the alliance was not planning "a triumphant march eastward."

So it is time to face the facts. There will be no overarcbing, all-encompassing security system in Europe, NATO will not melt into a CSCE spanning from Vladivostok to Vancouver.

Instead, two separate groups are emerging.

The European Union and NATO are gradually incorporating Eastern Europe, including the Baltie states. At the same time, a cluster of former Soviet republics is taking shape around Russia. The eentral challenge of European security is how to make sure that the dividing line between the two groupings will not become, once again, a line of confrontatinn.

By implying that any differences can by vercome by vague partnership rhetorie, the West is fooling itself as well as Russia. Afraid to admit the truth, Western governments will cling to ambiguity. But ambiguity has ceased to be creative; it has become counterproductive. By pretending that somehow Russia can still become a full member of the Western club, the West leaves both Russia and the East European democracies in the dark abont their future status in Europe.

The proper response to Russia's inability to fit into any of the existing institutinns is not to make believe that somehow it can be squeezed in but rather to create a new one, specifically designed to coordinate policies and preempt crises between the new West and the new East. This would have to consist of much more than the biannual meetings envisaged by the Russian-EU agreement or the vaporous consultation pledge given by NATO in the Partnership for Peace.

It should consist of a formal stucture, the more formal the better, between NATO and Russia, with a secretariat, permanent representatives, hot lines and even parliamentary bodies — everything that can ensure day-to-day dialogue and consultation. It would give neither side a veto over what the other one wants to do, but, it would translate NATO's apt formula. "No veto, no surprise" into credible practice.

Whoever the future leaders of Russia may be, it is important to establish now, while the present team still hold power in Moscow, habits that can survive them.

To give up the dream of "one Europe whole and free" does not mean to forgo the right to hold Russia to established rules within its sphere of influence. On the contrary. But Russia can be held to these rules only if the West itself is serious about them.

The corrent practice of warnioq Russia not to intervene in the "near abroad" while at the same time turning down request for sending monitoring troops to the many trouble spots in the region is a dismal example of Western inconsistency.

The West's authority in the new European security setup will depend not on its sermons but on its deeds. Preaching without following throngh signals to Moscow that the West really cares neither for Russia nor for how Russia conducts itself in what was once the Soviet Union.

When the walls came down in Europe five years ago, the way ahead was obscure. It was wise then for tbe West to temporise. Today the basic trends are becoming visible, and tbey can no longer be camouflaged by convenient ambiguities.

There is now a historic chance and need to build the future of European security on a sound basis. That takes realism as well as vision, clarity of purpose as well as a sense of responsibility. Too little of these qualities, unfortunately, is in evidence in Western chancelleries today.

The writer is diplomatie correspondent of the German newspaper Die Zeit. This comment is reprinted from The Washington Post.

'U.S. must tough it out with China to get Taiwan in U.N.'

By Karen Lowe
Agence France Presse

WASHINGTON — The United States must be prepared to stand up to Beijing if it is to help Taiwan join the United Nations, former ambassador to China James Lilley warned a congressional panel Thursday.

China's veto power on the U.N. Security Council and its considerable influence in the General Assembly will all be brought to bear to ensure Taiwan is not extended U.N. membership, Mr. Lilley said.

"The United States should take a persistent and tough pnsition," in dealing with China, said Mr. Lilley, who added his assessment comes from years of extensive official dealings with both countries.

"Know very clearly what you want to achieve, and then do it. Don't back off," he told the Subcommittee on International Security, International Organisations and Human Rights.

China will likely react strongly to any U.S. effort tn help Taiwan in its U.N. bid, but Washington should not be dissuaded if it chooses this course, Mr. Lilley said.

Explaining that China wnuld "go through this Kabuki dance of posturing," Mr. Lilley said the United States would "just have to push through to find their real positions."

But James Seymour, nf the East Asia Institute, cautioned that the United States should not lead the way in championing U.N. membership for Taiwan because of the risk of stimulating "Beijing's parannia" and being blamed for dividing China.

The subcommittee hearing comes amid movements both in Washington and in the United Nations to extend greater international recognition and contact with Taiwan.

On Wednesday, seven countries with official ties to Taiwan signed a joint communique agreeing to adopt measures to aid Taipei's efforts to return to the world body, saying it was unfair and immoral to keep it out.

The United Nations dropped Taipei from its rolls to admit Beijing in 1971. China has refused to deal with countries that recognise Taipei. Taiwan maintains relations with 29 countries, while China has forged ties with more than 150.

California representative Tom Lantos suggested Taiwan might be brought hack into the United Nations by having the General Assembly repeal the resolution that banned it, bypassing the Security Council and China's veto.

Taiwan has formed a committee witb a $3.8 million budget to promote its U.N. membership bid.

China has viewed Taiwan as a renegade province since the nationalists were defeated by the Chinese communists in a civil war in 1949. The defeated nationalists then fled to the island.

The United States is reviewing the pnssibility of allowing greater government contacts and of giving Taiwan greater leeway in dealing with the United States than it has had in 15 years.

The review, which awaits final approval from President Bill Clinton and could be announced in the next couple of weeks, would allow U.S. and Taiwan cabinet officials to exchange visits

Egyptian businessmen argue against devaluation of pound

CAIRO (R) — Egyptian businessmen, in a letter to the head of the International Monetary Fund (IMF), have argued against a devaluation of the Egyptian pound, saying it would not make their exports more competitive.

A group of Egyptian ministers is in Washington for talks with the IMF on the fund's argument that the pound is overvalued and an obstacle to the government's export campaign.

The Egyptian Businessmen's Association, in the letter sent to IMF Managing Director Michel Camdessus Sunday, said: "The association believes that ... a devaluation would be detrimental to the competitive position of their products and in turn would impede their export opportunities."

The letter, made available to Reuters Monday, said Egypt's export performance depended on other factors such as quality, productivity, access to world markets, financing and tax and customs regimes.

"Moreover, the supply elasticity of exports and the potential to increase them is rather sluggish," it added.

Devaluation would also have a psychological impact on Egyptian expatriates who have been buying pounds, it said.

"Devaluation would entail ... a rush towards dollarisation as a store of value," it added.

The pound bas been stable at between 3.30 and 3.40 to the U.S. dollar for three years, mainly because of the high interest rates on pound deposits.

The interest rates have produced a large balance of payments surplus and the central bank has built up record foreign currency reserves of more than $16 billion.

But Egyptian inflation over the period has been much higher than dollar inflation and foreign economists believe the government must find a mechanism to adjust the exchange rate.

The government also opposes devaluation, using much the same arguments as the businessmen's association.

The letter concluded: "The association believes that the proposed devaluation would be detrimental to their interests. In addition they believe that enhancing the competitive ability of Egyptian exports must be effected by raising efficiency."

The dispute with the IMF over export competitiveness has contributed to a delay in Egypt's Western creditors waiving official debts of about $4 billion.

The creditors bave already waived 30 per cent of the official debt Egypt owed in 1991 and the last, delayed instalment of $4 billion is equivalent to a further 20 per cent.

Sources close to the talks with the IMF say they will be exploring a compromise which includes rednctions in the costs of exporting, such as government fees, shipping and insurance.

Japan's premier announces 5-year plan

TOKYO (AFP) — Japan's Prime Minister Tomiichi Murayama Monday announced a five-year plan to advance measures already taken to deregulate the economy while vowing to achieve tax reforms by the end of the year.

But Mr. Murayama, who took office three weeks earlier as Japan's first socialist prime minister in four decades, gave no indication of how bis three-party coalition would square this with tax cuts implemented by previous governments.

Outlining the policies of his government, an unprecedented alliance between conservatives and socialists, the new prime minister told parliament that economic recovery — including implementing the budget and stabilising currency markets — would be the "primary focus" — of economic management.

"While there is still serious concern about employment and tbe plight of small businesses, concern that is compounded by the yen's appreciation, there have recently been increasing signs of promise," he said.

"We will, of course, move quickly to advance the deregulation measures announced recently," the prime minister said. But he added that be was also "determined to go beyond those measures and to draw up a five-year deregulation action programme and to implement even further deregulation."

Mr. Murayama said the objectives of such a programme would include encouraging new businesses and improving Japanese purchasing power by narrowing the big gap in prices between Japan and overseas.

Describing Japan's bureaucracy as "over-compartmentalised," Mr. Mnrayama also vowed to undertake "forceful administrative reform," one of the key policies of the previous two coalition governments over the past year.

Such reforms would include reviewing the entire public service system, streamlining special corporations, achieving "appropriate" staffing levels, monitoring deregulation and disclosing more government information.

Mr. Murayama, wbose Socialist Party strongly opposed the introduction of a three per cent consumption tax five years ago, said fiscal reforms needed to focus on achieving a balance between income, asset and consumption taxes.

"Along with seeking to promote administrative and fiscal reform and to ensure than the tax burden is equitably shared, I will work ... to promote discussion of comprehensive reform and, seeking the understanding of the people, to achieve tax reforms by the end of the year," he said.

Mr. Murayama said such discussions would be in the context of income tax cuts next year and beyond, but made no mention of how the cuts would be financed.

In February, the coalition government of prime minister Morohiro Hosokawa adnpted an economic stimulus package worth 15.25 trillion yen ($152 billion), including tax cuts amounting to 5.85 trillion yen.

Mr. Murayama's Socialist Party, the biggest party in the coalition, bad earlier forced Mr. Hosokawa to abandon plans to introdnce a new "welfare tax" of seven per cent, effectively amounting to a hike in the consumption tax.

The finance ministry, wbich opposes paying for tax cuts with increased bond issues, said the new tax would have raised 9.5 trillion yen a year.

Iran seeks rescue via mega-gas project to Europe

DUBAI (R) — Iran's gas reserves are as rich as its massive oil reserves, yet it has hardly been able to get any to market to supplement its inadequate petroleum revenues.

That will change if it can get an enormous project off the ground to pipe or ship gas to Europe, the most ambitious of numerous gas eschemes it has considered over the past decades.

It could cost $10 billion, perhaps even $20 billion, and would not come on stream this century, but if it finally went through the project would give a valuable impetus to an economy staggering under Iran's large population and relative isolation.

Analysts are divided on the European gas projects' chances of success, given the difficulties of getting finance, European worries about the security of Iran and other countries through which a pipeline would have to pass, and rugged geography.

But some say that the very fact that it has attracted some of Europe's most powerful gas companies in a consortium called the Iran Gas Europe Economic Interest Gronping (EIG) to study the alternatives lent the project substantial credibility.

"Those companies wouldn't be involved unless they saw something," one gas industry source commented.

The consortium comprises the National Iranian Gas Co., Gaz de France, Germany's Ruhrgas A.G., Austria's OMV A.G. Engas of Spain, Cesky Plynarensky Podnik of the Czech Republic and Slovensky Plynarensky Priemysel of Slovakia.

The EIG called in June for firms to prequalify to bid for a costly study examining the feasibility of pumping gas offshore, piping it to Europe via two alternative routes or converting it into liquefied natural gas LNG to be shipped by sea.

The consortium expects to launch the actual feasibility tender around the end of the year, for a project which would export 30 billion cubic metres of gas a year.

That's four times as large as Qatargas, the most advanced gas project being planned across the Gulf by Qatar, which has the world's largest gas reserves after Russia and Iran.

"There's a demand (in Europe) and there are huge reserves (in Iran). You can't ignore it," the source said.

Nonetheless, large question marks hang over the project.

Firstly, Iran is up to its ears in debt. It would have to rely on the importers to raise finance, bopefully with subsidies from the West, despite Iran's imperfect payment record.

Secondly, the conservative European gas companies may worry about the security of Iran and the countries through wbich a pipeline migbt pass.

Gulf oil gains offset by dollar plunge

ABU DHABI (AFP) — Gulf Arab states expect to earn more from oil exports this year if prices continue to improve but this will be offset by the plunge in the U.S. dollar against major currencies, bankers said Monday.

Crude prices have jumped by nearly $4 to around $18 since March due to an oil strike in Nigeria and other factors and experts said the average could exceed last year's 16.33 if prices remained strong.

This means the six Gulf Cooperation Council (GCC) states, which export one fifth of the world's oil, could earn more dollars in 1994 than their 1993 revenues of around $68 billiion.

"In face value, the GCC's earnings could be higher in 1994 but in real valne I do not see any big difference given the decline in the U.S. dollar," a United Arab Emirates (UAE) bank manager said.

"The dollar's decline bas largely weakened its purchasing power. If it remains weak, this will affect GCC states most as it will sharply boost their import bill and their currencies are effectively linked to the dollar," he pointed out.

Imports by GCC states — Saudi Arabia, Babrain, Kuwait, Oman, Qatar and the UAE — stood at around $58 billion in 1992, most of which came from the United States and other industrial countries.

Around balf of them came from such non-dollar countries as France, Japan, Germany, Italy, Switzerland and Britain, wbose currencies have largely gained ground against the dollar.

Bankers and oil analysts said GCC states could make up for the dollar fall if oil prices moved over $20 a barrel to come close to the $21 benchmark of the Organisation of Petroleum Exporting Countries (OPEC)

"Bnt this is a remote possibility," one oil expert said. "I don't think Gulf states will allow prices to go that high in fear of a negative reaction by consumers, who expect relatively low but stable prices. I believe the main concern of Gulf states now is that demand remains strong."

According to an OPEC report, the price of the group's basket of seven crudes has so far averaged $14.77 while it stood at $17.66 last week compared with $13.56 in the first quarter.

GCC's oil exports, which are pirced in dollars, ate estimated at around 13 million b/d, of which eight million b/d come from Sandi Arabia. GCC states suffer most from any oil price drop as crude accounts for the bulk of their exports.

"Most of them slashed projected spending in 1994 to tailor thei budgets to weak oil prices. The biggest spending out was in Saudi Arabia, which trimmed expenditure by 19 per cent to $42.6 billion from $52.5 billion in 1993, slashing the deficit to a record low of $1.25 billion.

Spending reductions by other member states pushed the combined SCC budget shortfall to a four-year low of $9.8 billion.

China's economy grows 11.6% in first half

BEIJING (AFP) — China succeeded in slowing its booming economic growth rate slightly in the first balf of 1994, but inflation remained stubbornly high, official figures released Monday showed.

The Chinese economy grew by 11.6 per cent while retail prices rose 19.8 per cent in the first six months while the consumer price index in the 35 biggest cities jumped 22.7 per cent, State Statistical Bureau spokesman Ye Zhen announced.

The national inflation figure was down from the 20.1 per cent growth in prices seen from January to March, but still a long way off the target of under 10 per cent growth for the year.

Mr. Ye said the latest figures indicated plans to bring gross domestie product (GDP) growth down to about nine per cent from 13.4 per eent last year "will be achieved at the end of this year."

On inflation he would only say "we are moving towards that planned target."

Price rises had been on a downward trend since hitting a peak in February, but rebounded to 20 per cent in June dne to grain price reforms, Mr. Ye said.

A Western diplomat said "it will be impossible for them (the Chinese) to get near their target on inflation."

Efforts to slow the economy brought growth in industrial output, which rose 19.5 per cent last year, down to 15.8 per cent over the first six months of 1993, Mr. Ye said.

Output of state enterprises continued to lag behind other sectors, but the 6.2 per cent and 7.9 per cent increases for the second quarter and for June over the equivalent periods of 1993 respectively were nevertheless an improvement over the first three months of the year.

The proportion of state firms in the red at the end of June stood at 46.3 per cent, down from 49.7 per cent in the first three months, when the sector was badly hit by a nationwide credit clampdown.

The austerity measures saw growth in fixed asset investment fall to 25.2 per cent over the same period last year, compared with a massive rise of some 70 per cent in the first half of 1993, Mr. Ye said, adding the number of new projects started was down 20 per cent.

The narrowest measure of money supply rose 20.7 per cent to the end of May, while retail sales were up 4.8 per cent in real terms to 718.8 billion yuan, he said.

Per capita incomes in cites grew 9.4 per cent in real terms, while rural residents saw their actual incomes jump 13.3 per cent due to hikes in prices of agricultural products and the development of local enterprises.

However, be acknowledged that incomes in some regions had not kept pace with price rises.

Mr. Ye said the latest economic indicators were "encouraging."

But the Western diplomat said the government was probably more anxious than it appeared.

"Some of the problems bave been brought nnder control, but some of the most worrying indicators — like inflation — are not under control at all," sbe said, adding that austerity measures continued to bit the loss-making state sector hardest.

In foreign trade, results were positive, with exports jumping 30.2 per cent to $48.4 billion and imports up 21 per cent to $49.2 billion, for a small deficit of $800 million.

China hopes to balance its trade this year, after suffering last year its first deficit — of $12.2 billion — since 1989.

The foreign investment structure also improved in the first six months, with the volume of realised funds up 54.9 per cent to $14.7 billion while the number of newly approved projects fell to 2,555 with contracted investment of $44 billion.

The diplomat said tbe slowdown in contracts was welcome given the high proportion of unrealised deals in the past two years, as well as China's difficulty in handling the massive inflow of investment, much of which was directed to unprodnctive areas such as real estate.

Mr. Ye said the quality of the projects was improving, with more funds targetted towards infrastructnre and basie industries.

HOROSCOPE

FORECAST FOR TUESDAY JULY 19, 1994

By Thomas S.Pierson, Astrologer, Carroll Righter Foundation

GENERAL TENDENCIES: Upsets that occur today can work out to your satisfaction in the long run, so don't be overly disturbed by delays and obstacles. Let conditions work themselves out and let others play their role.

ARIES: (March 21 to April 19) Find out how you stand with others and do whatever is needed to improve relations. Strive for increased happiness with your mate.

TAURUS: (April 20 to May 20) Make new acquaintances who can help to enrich your life in many ways. Attend a group meeting which is worthwhile to your success.

GEMINI: (May 21 to June 21) Study your surroundings and make plans for improvement. Allow time to engage in your favourite hobby with congenial friends and loved ones.

MOON CHILDREN: (June 22 to July 21) Take part in new activities which are fine for you but first know all the facts concerning them. Think constructively.

LEO: (July 22 to August 21) A loved one may have a change of attitude, so go along with new ideas for best results. Take it easy tonight and express happiness.

VIRGO: (August 22 to September 22) Show more interest in civic affairs and gain the respect of others. Make this a most worthwhile and productive day for yourself.

LIBRA: (September 23 to October 22) Improve your environment so that it is more inspiring and bring you greater comfort. Come to a better understanding with mate.

SCORPIO: (October 23 to November 21) Listen to what a good friend has to suggest for greater pleasure ahead. Take health treatments and improve your appearance.

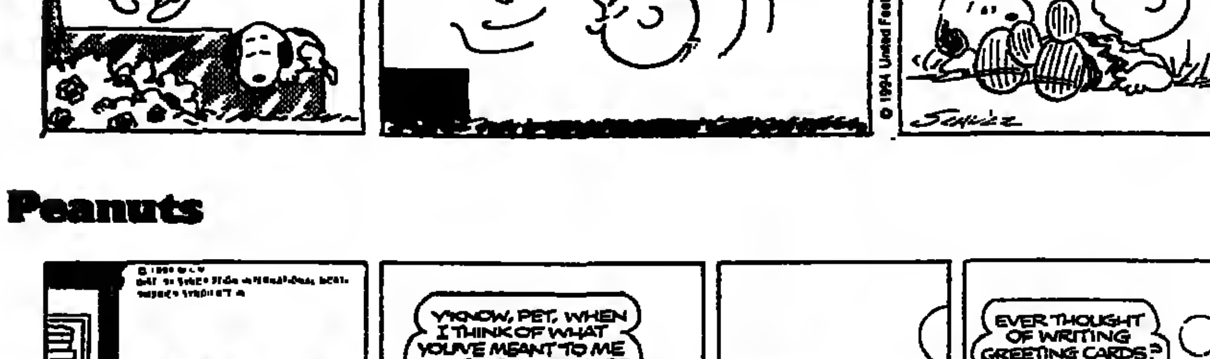
SAGITTARIUS: (November 22 to December 21) Get rid of whatever is causing disharmony at home and be happier in the future. Put your talents to work on a new project.

CAPRICORN: (December 22 to January 20) Be sure to study a new project well before you put it in operation. Don't take any risks which could prove costly.

AQUARIUS: (January 21 to February 19) Make long-range plans which could give you added income in the future. Come to a better understanding with family members.

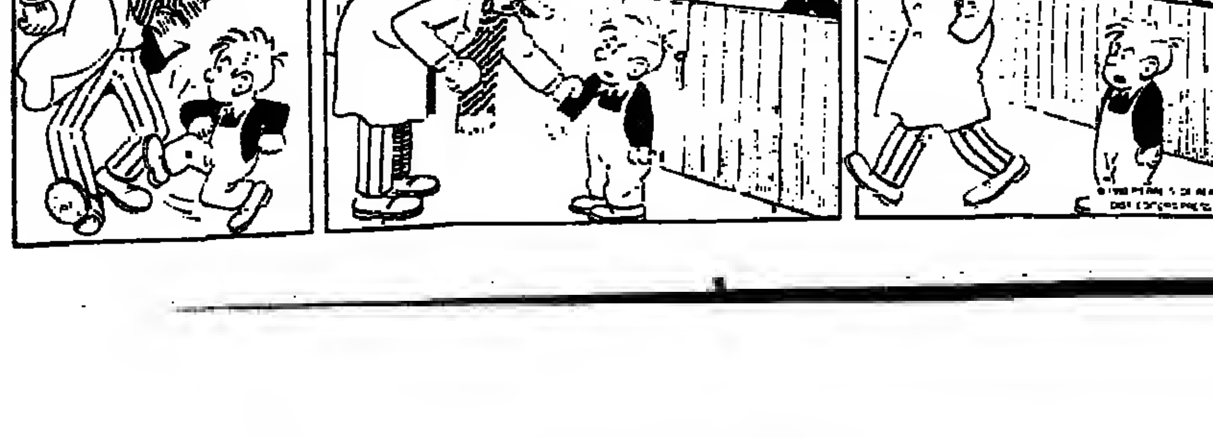
PISCES: (February 20 to March 20) You are likely to be upset about matters you can't change, so concentrate on whatever brings you inner peace to your life.

Andy Capp

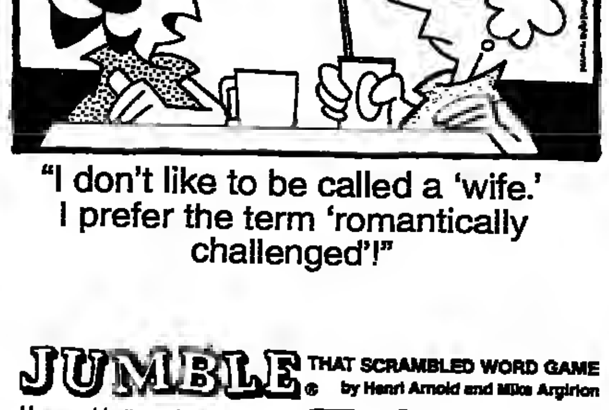


Peanuts

Mutt'n'Jeff



THE BETTER HALF® By Glasbergen



"I don't like to be called a 'wife.' I prefer the term 'romantically challenged'!"

JUMBLE® THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

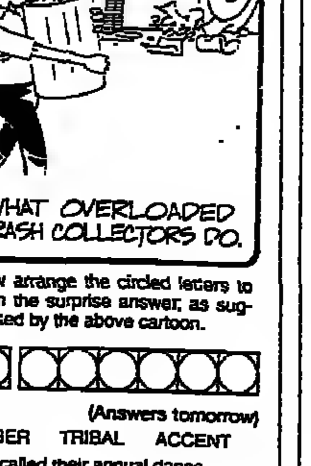
Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

ZISEE

SYSUF

FLUGEN

VERREE



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer:

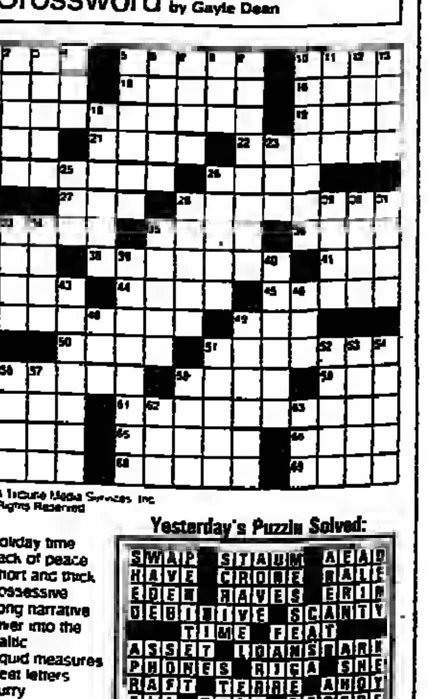
(Answers tomorrow)

Yesterday's | Jumbles: SKULK EMBER TRIBAL ACCENT
Answer: What the team called their annual dance — THE BASKET "BALL"

THE Daily Crossword by Gayle Dean

ACROSS
1 Porgy pan fish
5 Pinched pennies
10 Mediocre
14 "The Censor"
15 Roman fountain
16 Surveyor's map
17 Makes obsolete
19 Egg on
20 A Stooge
21 Shield boss
22 Extragalactic object
24 Maybe
26 Essential
27 Taxing gp.
28 Basketball teams
32 Armada
35 Crowded time on the bridal path?
36 Small sailboat
37 Afire
38 Tykes
41 — de la Plata
42 Biblical prophet
44 Preposition
45 Velvet finish
47 Feasts
49 Sass
50 — Major
51 Fears
55 Suffer from strabismus
58 A few
59 Balderdash!
60 Contented sound
61 Disparate condition
64 Adjutant
65 Happen
66 Old Greek coin
67 Digging tool
68 Stario's work
69 Telegram

DOWN
1 Rogue
2 Pirogue
3 Absolute
4 Luau offering
5 Lumberjack's leftovers
6 Riyadh denizens
7 Turn down
8 Holiday time
9 Lack of peace
10 Short and thick
11 Possessive
12 Long narrative
13 River into the Baltic
18 Liquid measures
23 Fleet letters
25 Hurry
26 AKA Saki
28 Throws in the towel
29 Merit
30 Castor or Pollux, e.g.
31 Blackthorn fruit
32 Blubber
33 Kind of bean
34 Short jacket
35 Coup group
39 Correct Jeopardy answer
40 Plant with cluster flowers
43 Escorted
46 Calendar abbr.
48 Keats subject
49 Madagascan mammals
51 Hat
52 Small antelope
53 Turning part
54 Genre
55 Baths
56 Witty remark
57 Indic language
58 Glen
62 Mil. person
63 Base



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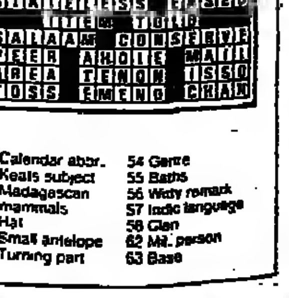
Yesterday's Puzzle Solved:



Financial Markets

Jordan Times in co-operation with Cairo Amman Bank

U.S. Dollar in International Markets

Currency	New York Close Date 15/7/94	Tokyo Close Date 18/7/94
Sterling Pound*	1.5618	1.5635
Deutsche Mark	1.5536	1.5432
Swiss Franc	1.3081	1.3003
French Franc	5.3265	5.2900**
Japanese Yen	97.82	98.18
European Currency Unit	1.12245	1.1265***

* USD Per STG
** European Opening at 9:00 a.m. GMT

Eurocurrency Interest Rates Date: 18/7/1994

Currency	1 MTH	3 MTHS	6 MTHS	12 MTHS
U.S. Dollar	4.25	4.50	5.00	5.50
Sterling Pound	4.75	4.93	5.25	5.87
Deutsche Mark	4.62	4.62	4.68	4.81
Swiss Franc	3.87	4.00	4.06	4.25
French Franc	5.43	5.50	5.62	5.87
Japanese Yen	1.81	1.93	1.93	2.12
European Currency Unit	5.75	5.81	5.94	6.19

Interbank bid rates for amounts exceeding U.S. Dollars 1,000,000 or equivalent.

Central Bank of Jordan Exchange Rate Bulletin Date: 18/7/1994

Currency	Bid	Offer
U.S. Dollar	0.6890	0.6910
Sterling Pound	1.0763	1.0817
Deutsche Mark	0.4452	0.4480
Swiss Franc	0.5290	0.5316
French Franc	0.1300	0.1306
Japanese Yen*	0.7024	0.7049
Dutch Guilder	0.3977	0.3997
Swedish Krona	*****	******
Italian Lira*	0.0444	0.0446
Belgian Franc	*****	*****

* Per 100

Other Currencies Date: 18/7/1994

Currency	Bid	Offer
Bahraini Dinar	1.8120	1.8240
Lebanese Lira*	0.040585	0.041875
Saudi Riyal	0.1834	0.1842
Kuwaiti Dinar	2.3250	2.3750
Qatari Riyal	0.1870	0.1879
Egyptian Pound	0.2050	0.2200
Omani Riyal	1.7700	1.7860
UAE Dirham	0.1870	0.1879
Greek Drachma*	0.2702	0.3215
Cypriot Pound	1.3545	1.4750

* Per 100

AMMAN FINANCIAL MARKET

HOUSING BANK CENTER AMMAN - SHMEISANI
TELEPHONE: 660170 / 663170
ORGANIZED MARKET SHARE PRICE LIST FOR MONDAY 18/07/1994

COMPANY'S NAME	TRADED VOLUME JD	PREV. CLOSING PRICE	OPENING PRICE	CLOSING PRICE
ARAB BANK	3,760	188.000	182.000	188.000
JORDAN NATIONAL BANK	38,467	4.900	6.900	4.880
BANK OF JORDAN	27,534	6.160	4.100	6.190
MIDDLE EAST INVESTMENT BANK.	58,384	1.970	1.990	2.020
INDUSTRIAL DEVELOPMENT BANK	9,240	2.060	2.000	2.050
THE HOUSING BANK	8,265	6.500	5.510	5.510
JORDAN KUWAIT BANK	15,232	3.160	2.170	3.200
JORDAN GULF BANK	164,794	1.470	1.750	1.750
ARAB JORDAN INVESTMENT BANK	224,910	4.000	4.050	4.000
JORDAN ISLAMIC BANK	214,636	3.990	3.980	4.120
BUSINESS BANK	1,207	3.970	3.990	2.990
JORDAN INVESTMENT & FINANCE BANK	21,020	9.290	9.450	9.500
BEIT ELMAL SAVING&INVESTMENT FOR HOUSING	1,020	4.190	4.080	6.030
AMMAN BANK FOR INVESTMENT	229,103	1.630	1.810	1.090
PHILADELPHIA INVESTMENT BANK.	174,075	2.040	2.120	2.140
JORDAN FRENCH INSURANCE	16,494	2.950	2.950	2.990
ARAB LIFE & ACCIDENT INSURANCE	1,988	2.600	2.450	2.650
JORDANIAN ELECTRIC POWER	169,347	1.970	1.600	1.970
JORDAN HOTEL & TOURISM	12,953	6.500	6.400	6.400
IRBID DISTRICT ELECTRICITY	1,370	1.440	1.373	1.370
ARAB INTERNATIONAL HOTELS	735	4.950	4.900	6.900
JORDAN NATIONAL SHIPPING LINES	32,969	2.900	2.900	2.930
NATIONAL PORTFOLIO SECURITIES	4,168	3.460	3.440	3.280
JORDAN GULF REAL ESTATE INVESTMENT	993	0.900	0.940	0.910
JORDAN INTERNATIONAL TRADING CENTER	664	1.100	1.160	1.160
JORDAN PRESS FOUNDATION / ALRA'I	2,774	11.000	11.100	11.100
JORDAN PRESS & PUBLISHING /AD-DUSTOUR	240,000	14.200	14.000	15.000
UNITED MIDDLE EAST & COMMODORE HOTELS	707,540	2.340	2.020	2.140
ARAB INTER. FOR INVESTMENT & EDUCATION	29,101	2.940	2.970	3.900
JORDANIAN EXPATRIATES INVESTMENT HOLDING	7,165	1.400	1.390	1.440
ALTANMEYA CONST. MATERIAL MANUFACTURING	2,265	1.580	1.520	1.500
THE JORDAN CEMENT FACTORIES	104,270	2.810	2.010	2.880
JORDAN PHOSPHATE MINES	1,140	2.590	2.600	2.700
THE ARAB POTASH	2,915	9.400	9.600	9.990
JORDAN PETROLEUM REFINERY	26,479	10.300	10.350	30.500
THE INDUSTRIAL COMMERCIAL & AGRICULTURAL	11,258	6.670	6.400	6.620
ARAB PHARMACEUTICAL MANUFACTURING	99,263	7.160	7.140	7.420
JORDAN CERAMIC INDUSTRIES	4,600	5.800	6.000	4.000
THE JORDAN PIPES MANUFACTURING	6,892	3.250	3.220	3.320
SPINNING & WEAVING	12,807	1.830	2.850	2.860
RAFIA INDUSTRIES	4,909	2.470	2.540	2.590
DAR AL DAWA DEVELOPMENT & INVESTMENT	141,920	17.200	17.100	17.200
ARAB INVESTMENT & INTERNATIONAL TRADE	37,600	1.470	1.490	1.600
ARAB ALUMINIUM INDUSTRY	44,423	8.600	8.400	9.030
LIVESTOCK & POULTRY	196,444	1.020	1.030	1.000
ARAB PAPER CONVERTING & TRADING	1,305	1.390	1.450	1.450
NATIONAL STEEL INDUSTRY	60,202	4.330	4.240	4.460
INTERMEDIATE PETRO-CHEMICAL INDUSTRIES	12,236	2.900	2.950	3.040
JORDAN ROCKWOOL INDUSTRIES	20,535	1.940	1.970	2.000
UNIVERSAL CHEMICAL INDUSTRIES	9,621	5.950	6.000	6.000
JORDAN INDUSTRIES & MATCH/JIMCO	626	1.000	1.040	1.050
NATIONAL CABLE & WIRE MANUFACTURING	30,852	4.700	4.700	6.800
JORDAN SULPHO-CHEMICALS	3,153	2.010	2.900	2.900
ARAB CENTER FOR PHARM. & CHEMICALS	22,614	2.890	3.030	3.020
JORDAN KUWAIT CO. FOR AGRI. & FOOD PROD.	7,087	0.610	0.600	0.630
KAWTHER INVESTMENT	1,625	2.120	2.160	2.180
UNIVERSAL MODERN INDUSTRIES	202,205	4.940	4.900	5.020
JORDAN INDUSTRIAL RESOURCES CO.	59,081	2.590	2.690	2.720
GRAND TOTAL	2,030,109			

NO. OF TRADED SHARES IN PARALLEL MARKET : 206396
TRADED VOLUME IN THE PARALLEL MARKET : JD 349848

LONDON EXCHANGE RATES

LONDON (R) — Following are the buying and selling rates for leading world currencies and gold against the dollar at midsession on the London Foreign Exchange and bullion markets Monday.

U.S. $1.00 costs	1.3772/82	Canadian dollar
	1.5416/26	Deotschemarks
	1.7293/03	Dutch guilders
	1.3005/15	Swiss francs
	31.76/80	Belgian francs
	5.2895/45	French francs
	1545.1/6.6	Italian lire
	98.27/37	Japanese yen
	7.6801/01	Swedish crowns
	6.7534/84	Norwegian crowns
	6.0620/70	Danish crowns
One sterling	$1.5632/42	
One ounce of gold	$386.40/386.90	

Oman to issue more bonds to finance budget deficit

ABU DHABI (AFP) — The Gulf state of Oman is planning to issue more bonds to finance its budget deficit despite a surge in oil prices, a United Arab Emirates (UAE) daily has reported.

The semi official Al Ittihad said the government would issue 20 million Omani riyals ($52 million) from Aug. 1 to sbore up the projected 1994 deficit and finance new development projects.

The new issue, floated on the Muscat Stock Exchange, would bring to 347.9 million riyals ($904.5 million) the total value of bonds issued since 1991, when the fourth five-year development plan was launched, the paper quoted a central bank report as saying.

By the end of the development plan in 1995, the total bond value is projected to reach 429 million riyals ($1.1 billion).

Oman's budget deficit for the 1994 fiscal year was projected at $760 million compared with $1.47 billion in 1993. The drop is due to a 10 per cent cut in 1994 spending to around $5.29 billion.

Like other Gnlf states, Oman relies heavily on oil export earnings but it has launched a drive to diversify its economy. It covers privatisations, attracting investment, more allocations for productive ventures, incentives to the private sector and other reforms.

Oman, which prodoces around 800,000 barrels per day of crude oil, bas also withdrawn from its state reserve funds to cover the budget shortfall. The fund itself is financed by an allocation of 15 per cent from annual oil revenues.

"Without bonds, the government conld find itself compelled to slasb expenditure on development projects or seek other alternatives, including resorting to borrowing from abroad," the central bank report said.

Oman has borrowed from international markets hut officials say its debt of aroond $2.5 billioo has remained manageable.

The state-run Oman Daily Observer newspaper has repored that Oman's financial position has considerahly improved following an increase in oil prices.

It said the price of Omani oil rose to $16.08 a barrel last month from $12.35 in March. In the first week of July, it traded on the Asian market at about $16.35, the paper added.

"The decline in oil prices has now reversed itself and the price outlook is suddenly much hetter," economic affairs under-secretary Hamoud Bin Hilal Al Habsi told the paper.

Oman hiked its oil output last year to 800,000 barrels per day (b/d) from 750,000 b/d to make up for declining prices.

Its revenues from oil exports, which account for more than 75 per cent of the country's total income, fell in 1993 by nine per cent to 2.03 billion Omani riyals ($5.23 billion).

"The government revenue outlook is substantially better," Mr. Al Habsi said. But he called for more intensive efforts to diversify the economy to protect it from "unforeseen fluctuations" in world oil prices.

He said the government was drawing up a new strategy to attract foreign capital ano referred to the Oryx Joint Invesetment account fund set up with British investment companies, in the first collaboration with a foreign company.

The 20 million riyals ($53 million) fund would use the proceeds from selling its own shares to purchase equities on the local stock exchange, the Muscat securities market, and might also invest in other Gulf Cooperation Council (GCC) countries, he added.

Mr. Al Habsi said Oman's fourth Five Year Plan, launched in 1991, was on schedule.

Kuwait's $34b fund seen falling

KUWAIT (R) — State reserves set aside for future generations of Kuwaitis could fall by three quarters by the year 2000 if the government uses them to cover its budget deficit, according to official figures reported Monday.

Projections by the Sopreme Planning Council showed the net worth of the Reserve Fund for Futnre Generations could drop to 2.15 billion dinars ($7.2 billion) in fiscal 1999/2000 from 10 billion dinars ($33.8 billion) in 1994/95 if it was used to bridge the hudget gap.

The projections saw deficit-related withdrawals of 7.750 billion dinars ($26.2 billion) over the period.

It was not clear whether the projections published by Al Seyasseb newspaper accounted for possible increases in the once-huge fund resulting from investment earnings and annual deposits into it from state revenoes.

Most of Kowait's overseas investments are in the reserve, a kind of pension fund for the day oil runs out a century or more from now. Another smaller fund, the General Reserve Fund, is believed tied up in relatively illiquid holdings.

The fund was launched by a 1976 decree that obliges the government to deposit 10 per cent of its revenues into it every year and hans withdrawals.

The fund was estimated pre-war at $100 billion or more.

Israeli arms industries post massive losses

TEL AVIV (AP) — Israel's defence industries lost hundreds of millions of dollars last year despite increased exports and massive layoffs, a government report revealed Monday.

Yossi Nitzani, director of the government Companies Authority, said state-run defence industries posted a net loss of $2.33 billion shekels, equivalent to nearly $800 million, in 1993. It was more than double last year's 1.02 billion-shekel loss.

"The defence companies need to adapt products to changing markets and stop redundancies and competition amongj themselves," Mr. Nitzani said at a news conference presenting the authority's annual report.

The defence industries have been battered since the mid-1980s by declining orders worldwide, the slowdown in western economies and their own inefficiency.

Despite the dismal defence outlook, Israel's public sector — which employs some four per cent of the two million workforce — was otherwise profitable last year.

The 84 state-owned companies — ranging from shipyards to department stores, oil exploration rigs and the El Al airline — made a profit of 1.04 billion shekels (about $340 million) excluding the defence industry's losses.

They account for about a sixth of Israel's gross national product of some $65 billion.

The defence sector's losses grew despite thousands of layoffs and a six per cent increase in defence exports, to $1.78 billion — indicating a continuing drop in local orders, primarily from the Israeli army.

According to the report, about three-quarters of the losses came from severance payments to 3,400 laid-off workers — more than a tenth of The sector's work force. Thousands more are to be fired io coming years in according with streamlining plans.

The largest loss was posted by Israel Aircraft Industries — still reeling from the 1987 cancellation of its Lavi fighter — which lost the equivalent of $450 million. Israel Military Industries, maker of the Merkava tank, lost $320 million.

Mr. Nitzani said the government had sold off record holdings in 1993 and called for speeding up the privatisation even more.

"We still have too much of an anomally where the government is for many companies the owner, the main client and the political influence as well," he said.

Cocoa prices leap

LONDON (R) — Cocoa prices rnared ahead on Monday as nervous investors, still reeling from coffee's giddy ascent, positioned themselves for a similar surge.

On the London futures market, cocoa for delivery in September jumped £36 ($54.12) to £1,104 ($1,721) a tonne, a six- and-a-half year high, in early trade.

"People have seen what bas happened in coffee and don't want to be caught by surprise this time with cocoa," said one trader.

Fears about the effect of dry weather on the crop in the Ivory Coast, the world's leading producer, have contributed to cocoa's sudden popularity, traders said.

"If there were any problem in the Ivory Coast, coffee has shown only too clearly what can happen " one said.

Coffee prices have rocketed in recent weeks following two serious frosts in Brazil, the world's biggest producer.

On Monday coffee for September delivery was trading of $3,790 a tonne, down $38 from Friday's close following a spell of milder weather in Brazil.

Traders said cocoa manufactures had not been carrying huge stocks, adding this was a particularly sensitive time as any shortfall in the Ivorian harvest could sharply widen a predicted deficit in world supply.

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Mission accomplished as Brazil take World Cup for fourth time

LOS ANGELES (AFP) — Brazil's 24-year wait for a fourth World Cup came to an end here Sunday as Italy's luck finally ran out in the first final to be decided by penalties.

Dunga, Brazil's captain and the heart of the team, converted Brazil's fourth kick to put them 3-2 ahead and leave Roberto Baggio needing to score to keep Italy alive.

The man the Brazilians had feared would wreck their dream of emulating the side that Pele led to glory in 1970, lifted his kick over the bar and the Cup was on its way back to Brazil.

"Our mission has been accomplished," Brazil's coach Carlos Alberto Parreira, who has had to put up with unrelenting criticism throughout the campaign, said. "We had to go to penalty kicks but I think we deserved to win."

Parreira's side can not hold a candle to the flair of the team that triumphed 4-1 over Italy in 1970, or even to the early eighties generation of Socrates, Zico and Falcao.

But the few neutrals in the 94,194 Rose Bowl crowd would not dispute that his well-organised team were worthy winners, even if the pressure of living up to the expectations of 160 million of their compatriots clearly got to Romario and Bebeto.

If the normally deadly duo had tucked away their chances in the first 90 minutes and 30 minutes of extra time, Brazil would never have had to rely on the lottery of a penalty shootout.

"It is sad that the game was decided on penalty kicks but we were on top all the time," Bebeto said. "We are the real champions."

Brazilian goalkeeper Taffarel, whose save from Daniele Massaro on Italy's fourth kick set up the triumph, said it had been Brazil's destiny to triumph in USA 94 in honour of the memory of AyrtonSenna, Brazil's biggest sporting hero since Pele, who was killed during the San Marino Grand Prix in May.

"Of course a penalty kick decision does not necessarily mean that the best team comes out on top. But we believe in destiny," Taffarel said.

"Our victory was a homage to Ayrton Senna. He gave so much happiness to the Brazilian people that we knew this would be the only way to give them back their happiness."

Minutes after Hungarian referee Sandor Puhl blew the final whistle, several of the Brazilian players unfurled a banner which read in Portuguese: "Ayrton, we accelerated with you toward a fourth title."

It was a tragic end to the tournament for Baggio. But he can take comfort in the knowledge that without him, and the five goals he scored in his previous three games, Italy would never have got near the final.

In the end, despite some heroic defending, Sunday's match proved a step too far for Arrigo Sacchi's weary troops, who had defied all the odds to get so close to glory.

Twice, against Norway and Nigeria, they had to battle for their World Cup survival with ten men while injuries forced Sacchi to constantly reshuffle his side, using 20 of the 22 players he brought to the United States.

On Sunday, Roberto Baggio passed a fitness test only hours before the match and injuries to Roberto Mussi and Dino Baggio during the match used up both Sacchi's substitutes, when a pair of fresh legs up front might have made the difference at the end.

Romario should really have spared everyone the agony of penalties minutes into the second period of exta time, when a goal for either side would have killed the match.

But somehow the Brazilian striker managed to pull the ball round the post from a metre after Cafu's cross ran right across the face of the Italian goal.

Brazil could have paid very dearly for that miss. Eight minutes from the end, Baggio worked a neat one-two with Daniele Massaro to create Italy's best chance of the match.

But the Juventus forward, who had tucked away every chance that came his way in his last three matches, could only produce a weary shot straight at Taffarel. From then, penalties were a certainty.

Franco Baresi, the Italian captain sensationally recalled to the side only 23 days after knee surgery, performed brilliantly as Italy's defence heroically kept the Brazilians at bay.

But what is almost certain to be his final international game ended in heartbreak when he lifted Italy's first penalty over the bar. Minutes earlier he had collapsed with cramp in the goalmouth.

Pagliuca's dive to his right thwarted Marcio Santos' opening effort for Brazil. Demetrio Albertini and Albertigo Evani scored Italy's next two but they were matched by Romario and Branco.

Daniele Massaro hit Italy's fourth penalty straight at Taffarel. Dunga sent Pagliuca the wrong way. Baggio missed and it was all over.

"We faltered at the penalties but we did all we could," said Sacchi, who had had to face almost as much criticism back home as Parreira.

"We can go home with a clear conscience that we have done our best," he stressed.

Romario's late miss was the most blatant Brazilian blunder but his striking partner Bebeto also squandered nearly as good a chance, four minutes into extra time.

Cafu, one of Brazil's best players after coming on when righthack Jorginho limped off with a pulled right thigh muscle, sent over a low cross from the right that escaped Paglinca and found Bebeto unmarked on the far post.

With the goal gaping, the Brazilian miscued his shot and it spun back across the goalmouth, allowing a relieved Pagliuca to smother it.

Roberto Baggio responded with a long range drive that Tafarrel did well to tip over but there was to be no repeat of the crucial late goals he scored against Nigeria and Spain.

Brazil had tried everything to get through the Italian blue wall in the first 90 minutes but Romario and Bebeto both failed to capitalise on clear chances.

Lady luck smiled on Italy again 14 minutes from the end when Mauro Silva, who had done such a good job in neutralising Baggio, unleashed a fierce, swerving drive. The ball squirmed out of Pagliuca's arms and spun towards the net only to bounce back to the keeper off the inside of the post.

Apart from Baggio's efforts in extra time, the only time the Italians came close to scoring was when Baresi's through ball sent Daniele Massaro away in the 19th minute.

The Milan striker went past Silva and into the box, but at full strength he could do no more than prod his shot straight at Tafarrel.

Brazil's (L-R) Zinho, Mauro Silva, Viola and Paulo Sergio run around the field with the World Cup trophy after Brazil won the championship Sunday (AFP photo)

Italians laud their team's 2nd place

ROME (R) — Italians held their heads high Monday despite seeing their team lose the World Cup final to Brazil on penalties.

"Italy, you were great anyway," ran a headline in Gazzetta Dello Sport newspaper.

Gazzetta journalist Candido Cannavo wrote: "I understand the tears shed at the end of the game but our boys desere a sincere and heartfelt thank you for their achievement which is great enough to dry up any tears."

Paolo Rossi, the striker who led Italy to their last World Cup title in 1982, said fans should be happy with second place after Italy's disastrous start to the tournament.

"To have reached the final after such a terrible start is an accomplishment in itself," he said.

Azeglio Vicini, coach when Italy went out in the semifinals in 1990, agreed. "Second place is an excellent achievement," he said.

Paolo Maldini, star defender of Italy's World Cup campaign in the United States, vowed to win the trophy in France next time.

"There is still 1998," Maldini told Corriere Dello Sport. "I hope to be there to win the World Cup."

The Italians, who will fly home Tnesday, lost 3-2 on penalties to Brazil after Franco Baresi and Roberto Baggio missed and Daniele Massaro saw his shot saved.

Dejected fans who had flocked to outdoor television screens in piazzas and stadiums across Italy wrapped up their flags and discarded their hooters after the penalty shoot-out.

"It's so sad, what a way to lose," said Claudio Miscella, who watched the match, goalless after extra time, with thousands of other fans on a wide-screen television in central Rome's Piramide District.

But some fans stayed on the streets to celebrate Italy's second place.

Italian police said one fan, Mauro Bigi, 29, died when he fell from the back of a pick-up truck in the central Italian town of Massa as he celebrated with friends after the match.

In Rome, police said they had made two arrests after fans in the Piazza del Popolo threw bottles, fireworks and coins when a giant television screen broke down briefly at the start of the match.

Minor trouble was also reported in Milan, where police said one officer and one Brazilian fan wer slightly hurt in scuffles which erupted after Baggio missed his do-or-die shot.

Jeers went up from a crowd of about 30,000 who watched the match on a screen at Rome's Olympic Stadium when the face of Italy coach Arrigo Sacchi appeared on the screen.

But Sacchi, who had been subjected to heavy press criticism early in the tournament, won wide praise Monday.

"He has proven to be capable of building a team of hardened fighters. We should entrust him with the task of trying again in four years," said Alfio Caruso of Gazzetta.

Italy, who began the World Cup with a shock 1-0 loss to Ireland, scraped through to the final 16 and reached the quarterfinals only after Baggio equalised in the 89th minute against Nigeria.

"That goal will still be remembered in 100 years," said Cannavo.

Some Italians, who had feared that Prime Minister Silvio Berlusconi, the media tycoon who owns AC Milan, would try to convert a World Cup win into a political victory, were philosophical about the result.

"The prime minister and his majority can now forget about hi-jacking the World Cup victory," said carpenter Sandro Melli.

Berlusconi, seven of whose Milan players were on the Italian squad, has aligend his image with sport since bursting into politics this year with a party named after the national soccer cry "Forza Italias" (go Italy).

Brazilians set aside troubles to share in World Cup triumph

RIO DE JANEIRO (AFP) — Brazil's World Cup triumph Sunday ignited a raucous celebration on this football-mad country's streets, with fireworks exploding to the pounding of drums and joyous shouts of millions of frenzied fans.

Samba dancers lined the streets for kilometres (miles) in every direction here following Brazil's victory over Italy in the championship match at Pasadena, California. The triumph was an unprecedented fourth for Brazil, but the country's first since 1970.

Clad in the green and yellow colors of Brazil's flag, supporters in this city of contrasts watched from giant television screens in well-heeled neighbourhoods such as Copacabana and Ipanema, and crammed in front of tiny sets in Rio's crowded hillside favelas.

Millions from Rio to Sao Paolo, and from Salvador de Bahia to Brasilia watched a tense match unfold, with no goals through over-times. The first final decided by penalty kicks came down to Roberto Baggio's final kick for Italy.

When he missed, 150 million Brazilians got their coe to scream for joy.

An explosion of merrymaking and music, drinking and dancing had begun.

Sirens went off in the port of Niteroi. In Sao Paulo, police estimated a mass of one million people gathered to pay h maage to their heroes on Paulista Aveneu, amid the skyscrapers of the financial district of South America's largest city.

A sports-loving country deeply saddened 10 weeks ago at the funeral of its racing legend Ayrton Senna left loose its emotions, and put aside troubles for a few precious moments. Millions of people, if only briefly, focused on sharing in the joy.

Brazil escoring leader Romario was hailed throughout the land, and all players can expect a princely welcome upon their arrival home Tuesday.

The festival was not limited to Brazilian borders.

Hundreds of Brazil backers hit the streets of neighbouring Uruguay's capital, Montevideo, creating a spur-of-the-moment carnival.

President says win will help Brazil's self-esteem

BRASILIA (R) — President Itamar Franco said Brazil's 3-2 win over Italy in the World Cup final Sunday would help the country's self-esteem, the state news agency reported.

Franco, whose country is struggling to curb high inflation and deal with many social and political problems, told reporters he "felt an immense joy" from the victory, Agencia Brasil said.

"This self-esteem the players have needs to be transferred to Brazil itself," he said.

Franco said he got a congratulatory telephone call from President Clinton on the occasion of Brazil's victory over Italy in Pasadena, California.

Clinton said he "would like to express in the name of the American people congratulations for the world championship and that this was a very important day for the Brazilian and American people because it promoted understanding between them," Franco said.

He also said he had gotten a telephone call from Argentine President Carlos Menem congratulating Brazil.

Menem and Franco have had strained relations recently stemming from Menem's comments about Brazil's relative poverty. Franco retorted that Menem was only upset about Argentina's ouster from the World Cup.

Franco has given federal workers a half-day holiday Monday and said he planned to receive the World Cup team in Brasilia to present players and coaches with the Order of Sporting Merit."

Final is a ployglot festival of sports, music — and business

PASADENA, Calif. (AP) — Part Brazilian carnival, part chanting Italians, the World Cup final was a polyglot of peoples from all over the planet.

Over its 72 years, the Rose Bowl near Los Angeles had survived earthquakes; it hosted the Olympics and four of American football's Supper Bowl championships.

But nothing quite equaled the climax of the first World Cup in the United States.

At the pre-game closing ceremony, Whitney Houston warmed up the crowd with a few of her popular hits, then saxophonist Kenny G., holding the high notes interminably, stretched the American national anthem to 2 minutes, 45 seconds.

As kickoff neared, heralded by fireworks and a B-1 bomber flyover, the fans, including red-bearded defender Alexi Lalas, moade their way to their seats. The Brazilians, holding hands in a chain, and the Italians marched onto the field.

Local residents were fascinated.

"Man, I've never seen anything like it," Marvin Adamson said as he wandered about and watched outside the stadium just before kickoff.

"There are all sorts of people from all over the world. I've heard more different languages than I've heard in my whole life. I've been to a lot of sports, but nothing like this."

Adamson, 30, of Los Angeles and thousands of others didn't have a ticket To the game but game to enjoy the uniqne mix of sights, sounds and smells of the festivities outside the Rose Bowl.

The 100,000-plus fans, some 91,000 of whom actually made it into the stadium, arrived hours before the game in a variety of ways; limousines escorted by police (including Vice President Al Gore); by helicopter; by auto after long waits in heavy freeway traffic; one couple on a bicycle built for two; and, some younger fans by parent powered stroller.

Along the way, they passed mini-parking lots where residents of the neighbourhood were charging, as one neared the rose Bowl $10, Then $20, then finally up to $50 to park in their driveways and on their grass.

Taffarel turns from spectator to hero

PASADANA (R) — Brazil goalkeeper Taffarel turned from the World Cup's most privileged spectator into the hero of their victory Sunday.

Taffarel might have brought a deck chair to Brazil's previous games and sunbathed in the penalty area.

He had gone throngh all six games without having to make a decent save as Brazil cruised to the final. He conceded three goals but was unable to do much about any of them.

On Sunday, Taffarel was finally called into action. It was his first chance to silence his many doubters, who feared he was shaky, and he took it with both hands.

During the two hours of generally tedious soccer, Taffarel made important saves from Daniele Massaro and Roberto Baggio to keep Brazil's title hopes alive.

He then gained hero status in the penalty shoot-out, diving to his left to save Massaro's penalty, Italy's third effort.

Roberto Baggio fired Italy's next penalty over the bar and Brazil were home.

"I don't consider myself to be the hero. There are ten other players on the team," he said.

He said his biggest problem was to concentrate for the penalty shoot-out. "It was such an important moment for me, for the team and for Brazil. I had to take a deep breath and get my concentration."

Many fans had not forgotten the horrendous error Taffarel made last year in a World Cup qualifier against Bolivia in La Paz.

He let Marco Etcheverry's harmless cross slip through his legs in the 88th minute and Brazil crashed to their first defeat in a World Cup qualifying match.

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Romario holds the World Cup trophy Brazil won Sunday (AFP photo)

Andretti wins fourth Toronto Indycar race

TORONTO (R) — Michael Andretti, in a Reynard Ford Cosworth, won his fourth Toronto Molson Indycar race, edgiog fellow-American Bohy Rahal's Lola Honda by 6.801 seconds and eoding the Penske racing team's seven-race victory streak, on Sunday.

Two-time world champion Emerson Fittipaldi of Brazil was third in a Penske Ilmor in the 98-lap race over the 1.78-mile (2.86 km) course.

American Mario Andretti, in a Lola Ford Cosworth, was fourth. He was driving in his final year and 400th Indycar race.

Michael Andretti, winner of the series opeoer in Australia, averaged 96.673 mph (155.575 kph) for the 174.44 mile (280.72 kph) event over the exhibition place Street Circuit. It was his 29th series victory.

Series points leader Al Unser, Jr. retired on the first lap, after his usually reliable Ilmor engine stopped without warning. Bnt Unser retained his lead with 127 points to Fittipaldi's 100. Andretti moved into third place with 80 points.

Defending series champioo Nigel Mansell led early in the race, before retiring on lap 66 with handling problems.

"I didn't fcel anything, so I don't know if I was hit," Mansell said. "There's a lot of debris out there and I think that's what caused it."

On lap 25 Mansell's right rear tyre went flat and he limped arond the circuit in his Lola to the pits, dropping him ooe lap hehind and esseotially out of contention.

After pole winner Robby Gordon and Mansell lost laps due to punctures, Andretti took the lead on lap 25 and was not seriously challenged.

"This year has been a strange year. We started on a big high then we've bad lows," said Andretti, 31. "We've been struggling.

"To come back here and a score a win, maybe that will pnt us back on track," said Andretti, who returned to Indycar racing after a year driving in Formula One competition.

Doohan wins French motorcycle race

LE MANS, France (AP) — Australian Michael Doohan captured the 500 cc class of the French Motorcycle Grand Prix Sunday as the race returned after a one-year absence.

Doohan extended his lead in the season standings with a victory nn his Honda over American John Kocinski, on a Cagiva, and Spaniard Alex. Criville, also on a Honda.

American Kevin Schwantz had to drop ont.

The French race was cancelled last year after an aoti-smoking campaign caused difficulties with the competing teams, most of whom are sponsored by tobacco companies.

The situation was resolved in time for the French Grand Prix for Formula One hut the motorcycle race could not be held.

Italy's Loris Capirossi led an Italian sweep of the top three places in the 250 cc race. Doriano Romboni was second, also on a Honda with Massimiliano Biaggi oo a Aprilia was third.

Poli makes Ventoux history as Indurain gets a scare

CARPENTRAS, France (AFP) — Italian Eros Poli wrote a new chapter in the bistory of the infamous Ventoux climh here Monday as be won the 15th stage of the Tour de France after an extraordinary 170km escape.

The Italian giant, tears of joy streaming down his face well before the finish, scaled the 1,909-metre sun-baked summit which cost British rider Tom Simpson his life 27 yearas ago hefore hurtling to a memorahle victory.

Overall leader Miguel Indurain of Spain, meanwhile, certain to win this year's race barring accidents, escaped a major scare when he almost rode off the road during the high-speed descent.

The yellow jersey rear wheel skidded out and the Spaniard missed a roadside marker on the nutside of the bend by ioches as be fought to regaio control of bis hike.

But Poli, whoi make a 180kom soln hreak in the seventh stage only to he canght after leading hy 18-and-a-balf minutes, deserved all the headlines after getting it right this time.

He said: "I told my team leader 1 could win it wheo 1 heard how far ahead I was at the summit.

"I'm a big hloke — I weigh 85kg — so I didn't think many people would make much time on me during the descent!"

Alberto Elli of Italy led the stragglers hnme to take second in front of Pascal Lioo of France, both 3mins 39secs behind.

Tour de France

The Ventoux in Provence has always been linked with tragedy since July 13, 1967, when the 29-year-old British champion Simpson collapsed and died from a lethal combination of heat, exhaustion and amphetamines.

Poli, however, will remember the place with joy after the Venetian broke away after 60km of tHe 231km run from Montpellier and at one stage led by a massive 25mins over the main peletion.

Compatriot Mario Mantovan got to within 15mins of the leader but as be faded Italian teammate Marco Pantani took up the chase, Mantovan handing over his water bottle as Pantani went past.

Pantani, with a secood and third stage place this year and who had fallen hadly earlier in Monday's stage, was sooo the lone chaser as the peletoo came out of the shade of the trees on the lower reaches of the ascent and into the burning sunshine.

But Indurain responded, picking up the pace and reducing the chasing group first to 12 men, then just six, including second and third-placed Frenchmen Richard Virenque and Armand de las Cuevas.

Poli went over the top of the Ventoux 4mins 30mins 30secs ahead of Pantani with 40kms TO go, while Indurain's group were another 1mio 28secs behind.

Pantani was eventually hauled in but the peleton had giveo up the chase well before Poli's triumphant entry.

Only 137 of the original 189-strong field began the race, with world champion Lance Armstrong, a stage winner last year, quitting before the start.

Dutch rider Roh Harmeling, meanwbile, was disqualifiedi for holding on to his TVMI team car and bitching a ride, an offence which also saw his team manager banned from the event.

NEWS IN BRIEF

3 arrested at World Cup

PASADENA, Calif. (R) — Police on duty for the World Cup cbampionship match arrested 32 people Sunday on charges ranging from disorderly conduct to gambling, authorities said. Officers were out in force as thousands of Brazilian soccer fans took to the streets to celebrate their team's victory over Italy, and Pasadena police commander Mary Schander said the post-game celebrations remaioed mostly peaceful. "Thirty-two arrests is about normal for a major eveot witb 94,000 people present," sbe said. Some suspects were taken into custody outside the stadium before the game, others during the match and still others in the noisy, carnival-like festivities that followed. The charges covered a variety of offences, including ticket scalping, gambling, disorderly conduct, resisting arrest and interferiog with a police officer, Schander said.

Cup final off limits for N. Korea

BEIJING (AFP) — North Korea, in official mourning following the death of President Kim Il-Sung, was the only country to ignore Sunday's World Cup final. The national news agency did not even announce tbe result, while newspapers and television ignored the match. Only a privileged few joined the millions worldwide who tuned in to see Brazil beat Italy — mainly in foreign embassies equipped with satelite TV.

Was Simpson framed by a racist cop?

LOS ANGELES (AFP) — A racist policeman planted a bloody glove at the home of alleged double murderer U.J. Simpson in order to frame him, the New Yorker magazine reported the ex-foothail star's attorneys will likely claim. His attorneys probably will claim in Simpson's npcoming trial that detective Mark Fuhrman found two bloody gloves at the scene of the murders and took one glove to Simpson's estate where he claimed to find it, the magazine said. Simpson has pleaded innocent to charges that he killed his ex-wife Nicole Simpson, 35, and her friend Ron Goldman, 25, wbose savagely slashed bodies were found outside her bome June 12. In its July 25 issue released Sunday, the magazine said defence team sources said that Fuhrman planted the glove because he wanted to be in the spotlight and was a racist with a history of psychiatric problems.

Cuban coach among 4 defecting to U.S.

INDIANAPOLIS, Indiana (AFP) — Osvaldo Garcia, Cuba's national water polo coach, has defeated to the United States aloog with his 21-year-old son plus a team asistant and pbysical therapist, according to a U.S. Water Polo statement released Sunday.

The four reqnested political asylum wbile in Miami Florida, last month. They were in the United States for the Alamo Cup tournament, a seven-nation event conducted in Newport Beach, California. Cuba finished third.

Garcia, who had coached the Cuban nationals the past two years, has a wife and 22-year-old daughter io Cuba. His defecting son Osvaldo was a Cnban starter who scored seveo goals and added four assists.

The Garcias plan to remain in Florida, accordiog to the statement.

Seven members of the Cuban water polo squad have assistant to the United States in the past two eyars, with two others seeking political asylum in Puerto Rico, a U.S. commonwealth.

Names of the therapist and assistant were not included in tHe statement and calls to U.S. Water Polo, the sport's natiooal governing hody, were not returned.

Blackburn look to become Britain's Milan

LONDON (R) — The Eoglish premier league is growing used to the speoding exploits of Blackburn Rovers, fast becoming a kind of AC Milan of British soccer.

The financial clout of clnb cbairman and millionaire businessman Jack Walker has lifted Blackhurn into the Manchester United and Arsenal bracket in the last couple of seasons.

But oo Friday, Blackburn excelled themselves — even by their own high-spending standards — when they sbelled out a British record £5 million ($7.79 million) for Norwich City striker Chris Sutton, a 21-year-old with a lot of taleot but an unproven track record at the very bighest level.

The deal took the Blackburn shopping bill for the last three years to almost £27 million ($42.1 millioo) and sparked fears in some quarters that the English game may be following the Italian, where exorbitant transfer fees have become second nature.

Sampras looks to rebound from loss

WASHINGTON (AFP) — World number one Pete Sampras begins preparing to defend his U.S. pen Tennis crown by trying to forget the disappointment of a Davis Cup defeat.

"There's a lot of pride out there and I don't like to give these guys the satisfactioo of beating the top player in the world," Sampras, the top seed io the $650,000 ATP Washiogton Classic, which hegan Monday.

Sampras lost 2-6, 7-6 (7/5), 7-5 to Dutch veteran Richard Krajice in Davis Cup play Sunday but he is 56-6 on ATP Tour this season.

Number one since winniog last year's U.S. Open, Sampras has won four of the past five Grand Slam titles, failing at the French Open last month.

"Pete has proven he is capable of going down as one of the best of all time," said 20th-ranked Andre Agassi, who hopes a strong showing here can help him reach a top 16 seed for the open.

"Most people on the tour consider him the guy to beat, the guy who is playing better than everybody else," Agassi said. "No matter what my ranking is, when you step on the court with Pete, you're going to have to play your best to have a chance at winning."

Sampras has complained of mental tiredness from too many matches in the past month, hut be wants to play well here in the city where he was born. This event is also the first hardcourt eveot io advance of the open, still six weeks away.

"What we're trying to do is prepare well for the U.S. Open. That's really the bottom line," Sampras said. "Money isn't the main point. It's winning and winning titles. That's what keeps me going."

Agassi, wh o won here in 1990 and 1991, bas not reached a Grand Slam semifinal since winning Wimbledon in 1992.

"Getting the confidence going before the U.S. Open is key for me," Agassi said. "Believing I can win when I step on the court is important."

Pete Sampras

GOREN BRIDGE

WITH OMAR SHARIF & TANNAH HIRSCH

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ANSWERS TO WEEKLY BRIDGE QUIZ

Q.1—As South, vulnerable, you hold:
♠KJ53 ♡KJ7 ◇Q ♣J7642
The bidding has proceeded:
North East South West
1 ♡ Pass ?
What action do you take?
A.—With only three-card support for partner's suit, you cannot make an invitational jump raise even if you play five-card majors. Therefore, it boils down to a choice between one spade and two clubs. With the queen of diamonds of doubtful value and a shabby five-card suit, we would opt for one spade.

Q.2—As South, vulnerable, you hold:
♠AK ♡102 ◇AS652 ♣A972
The bidding has proceeded:
North East South West
Pass 1 ♡ Pass Pass
2 ♣ 2 ♡ ?
What action do you take?
A.—You probably have the best hand at the table and it is about time you told everyone about it. Since the best spot could be three no trump, you don't want to bypass it by jumping in clubs. Cue-bid three hearts to see what develops.

Q.3—Both vulnerable, as South you hold:
♠AQ1062 ♡AQJ ◇Q9 ♣AQ4
What is your opening bid?
A.—Having a five-card major is no bar to opening two no trump and, in the modern style, no one quibbles about only a semi-stopper in one of the suits. The problem with opening one spade is that it is impossible to describe this hand with your rebid. Whether your range is 20-22 or 22-24 you should opt for two no trump. Your good five-card suit is worth an extra point.

Q.4—Neither vulnerable, as South you hold:
♠A94 ♡KJ92 ◇9742 ♣K4
The bidding has proceeded:
North East South West
1 ♣ 1 ♡ ?
What action do you take?
A.—To angle for a low-level penalty double when you have four-card support for partner's suit, even if it is a minor, is a losing tactic. Far better to try for game and the logical way is to show your multistoppers in the enemy suit by jumping to two no trump. That's not forcing, whatever methods you play.

Q.5—East-West vulnerable, as South you hold:
♠AQ1072 ♡K8 ◇1092 ♣AK6
What is your opening bid?
A.—There is nothing wrong with opening one spade—your problem will come on the next round should partner respond one no trump. You can avoid this difficulty by choosing one no trump as your opening salvo.

Q.6—Both vulnerable, as South you hold:
♠K105 ♡AK73 ◇KQ5 ♣J82
The bidding has proceeded:
West North East South
1 ♠ Pass Pass ?
What action do you take?
A.—In the immediate seat, a one-no-trump overcall would show the equivalent of a one-no-trump opening hid. In the balancing seat, however, you must show this hand by first doubling and then bidding no trump as cheaply as possible.

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	Lcuis Gossett — in MIDNIGHT STING Shows: 12:30, 3:30, 6:15, 8:30, 10:30	Nabila Obeid and Farouk Al Fishawi in Unveiling The Secrets Arabic Shows: 12:30, 3:15, 5:00, 6:45, 8:30, 10:30	CONCORD "1" THE CRUSH CONCORD "2" Silence Of The Lamps Shows: 12:30, 3:30, 6:15, 8:30, 10:30	INDECENT PROPOSAL Shows: 12:30, 3:30, 6:15, 8:30	Today & Everyday Abu Awwad in social comedy "PUNCTURED BAG"	Present their play: WHAT A PEACE! (Salam Ya Salam) Daily at 8:30 p.m. The theatre is closed on Tuesdays.

NEWS IN BRIEF

Iran parades 3 women who admit killings

TEHRAN (AFP) — Three women who said they belonged to Iran's main armed opposition group and admitted carrying out several recent attacks and killings were paraded by Iranian authorities Monday. At a press conference held in Tehran at the offices of the official agency IRNA one of the women said she had killed Protestant pastor Tedhis Mikhailian at the beginning of July in the capital. She maintained she had also searched for a place close to Tehran to bury a second pastor Medhi Dibaj also murdered in early July, by Mujahedeen-e-Khalq, according to the woman. Three Protestant pastors have been found dead in mysterious circumstances since the beginning of the year, leaving Iran's small Protestant community in shock. The two other women said they had tried to set off two bombs on July 5 in the mausoleum of the holy city of Qom and at a shrine to the leader of the Islamic revolution Ayatollah Ruhollah Khomeini in a suburb of Tehran.

Kabul remains under rocket attacks

KABUL (AFP) — Rocket batteries from forces opposing Afghan President Burhanuddin Rabbani opened fire on Kabul Monday, killing three civilians and wounding 10, according to hospital sources. Most of the civilian casualties were taken to the Jamhuriat public emergency hospital in downtown Kabul with superficial wounds, but witnesses there described the three dead as butchered corpses. The first salvo of rockets crashed into the mostly-deserted merchants' bazaar east of the Kabul river, followed by at least two others which exploded near the presidential palace around midday Monday.

'Jupiter will look like it has measles'

CAPE TOWN (AFP) — Five fragments of the comet Shoemaker-Levy-9 hit the surface of Jupiter between Saturday night and midnight Sunday, leaving behind unexplained scars of light, a South African astronomer said here Monday. "If this pattern continues for all 21 fragments, Jupiter will appear to have measles by the end of the week," said Bob Stobie, director of the South African Astronomical Observatory (SAAO). He said the scar caused by the first fragment to strike the giant planet was still visible more than 20 hours after impact and had rotated into sight twice already. "We are not sure exactly what causes these remarkable bright spots," Mr. Stobie told the SAPA news agency.

Afghan warlord agrees to free hostages

ISLAMABAD (AFP) — An Afghan warlord has agreed to release two Chinese engineers and about a dozen Pakistanis after holding them for more than a year as hostages, officials said Monday. The warlord, Mullah Abdul Salam, nicknamed "Rocketi," has been holding the foreigners in an attempt to force Pakistan to return a shipment of three Stinger missiles, taken by Pakistani soldiers during a raid. Mr. Salam has shifted the hostages from his hideout in southern Afghanistan to the capital Kabul, the officials said, adding they would soon be transferred to Pakistan. Interior Minister Naseerullah Babar said Mr. Salam had agreed to free all hostages "unconditionally," adding that the release came as a result of intervention by Saudi Arabia through its embassy in Afghanistan.

U.N. will need more time in Somalia

NAIROBI (AFP) — The United Nations Operation in Somalia (UNOSOM) will ask the Security Council to extend its mission in the country to give it more time to establish lasting peace there, a U.N. spokesman said here Monday. UNOSOM's mandate is scheduled to end in September and the U.N. Security Council is to meet in August to review the mission's progress before voting on whether to prolong or end it. "I hope the Security Council will understand that we need more time to complete our job," UNOSOM's spokesman George Bennett told a news conference here.

Qatar defends foreign policy

DOHA (R) — Qatar on Monday defended a range of policies that has set it apart from Gulf Arab partners, arguing they were dictated by principles and not by enmity towards its giant neighbour Saudi Arabia.

The small oil-producing country that juts out like a thumb into the Gulf from the Saudi mainland has over the past two years befriended both Iran and Iraq, held talks with Israel and supported the northern-based government in the Yemen civil war.

Qatari foreign minister Sheikh Hamad Ben Jassim Ben Jabr Al Thani acknowledged that these policies were at odds with those of its partners in the Saudi-dominated Gulf Cooperation Council (GCC).

He was speaking at a news conference in Doha attended by dozens of journalists from around the region.

"No doubt there are differences of opinion," he said of Qatar's position within the GCC, that also includes Bahrain, Kuwait, Saudi Arabia, Oman and the United Arab Emirates.

"We are keen to achieve consensus," he said of the GCC rules that all decisions must be agreed unanimously.

"But we cannot say that we have agreed when we have not done so," he said, adding that GCC meetings had in the past produced decisions by consensus, but countries went away to do what they really wanted anyway.

"Our policy is based on honesty... we are not doing it to offend or annoy anyone," he said when asked if they were aimed against Saudi Arabia, with whom Qatar has an unresolved border problem that led to violence 18 months ago.

"We have strong and historical ties with Saudi Arabia... we do not disagree for the sake of disagreement," he said.

But he said that no progress had been made since the two countries agreed in December 1992 to set up a border commission to demarcate the disputed frontier. The commission has yet to be formed.

Sheikh Hamad said Qatar befriended Iran because the Islamic republic across the Gulf was an important big neighbour that had not shown any lack of good will towards Qatar.

Qatar maintained ties with Iraq to try to alleviate the suffering of the Iraqi people although it continued to abide by U.N. decisions, including economic sanctions imposed after Baghdad's 1990 invasion of Kuwait, he said.

It refused to take sides in the Yemen civil war, in contrast with neighbours who sympathised with the south, because it believed outsiders had no business interfering in the internal affairs of the Yemeni people, Sheikh Hamad said.

And it had made contact with Israel because it believed the Arab boycott of the Jewish state would no longer be justified once Israel withdrew from occupied Arab lands. But Sheikh Hamad said his country did not plan further contacts until Israel actually withdrew.

Qatar did not necessarily support all Washington's policies in the region despite its strong political alliance with the United States, Sheikh Hamad said in reply to a question about differences over Qatar's attitude to Iran and Iraq.

"Qatar is a small country trying to establish good relations with all its neighbours... we are not prepared to adopt a hostile position to a certain side because it is involved in a dispute with someone else to which we are not a party," he said.

"Our policies are tiring and costly... but we believe we owe it to our people to show honesty and a clearness of vision," he added.

PEACE TALKS: Jordanian and Israeli negotiators gathered in a tent in the Wadi Araba desert near Aqaba on Monday before the launch of negotiations on border and water issues (Photo by Yousef Al 'Allan)

Experts study population policy

By Rana Husseini
Special to the Jordan Times

AMMAN — Jordan on Monday opened a two-day workshop on population policies to review draft documents to be presented at a U.N. conference on population policy to be held in Cairo next September.

Addressing representatives of various concerned government departments, private institutions, universities and volunteer groups at the workshop, Her Royal Highness Princess Basma said the documents to be presented at the meeting would be a strong solid reference to be used in the conference and in the future.

Princess Basma, who chaired the opening session of the workshop, said population issues should seize the attention of the concerned authorities to provide better conditions, and enable the people to afford a good standard of living.

"This workshop is designed to provide the Jordanian delegation with complete documents that will help them in their participation," in the Cairo meeting, the Princess said.

Minister of Labour Khalid Ghzawi, also addressing the gathering, said the high rate of birth in Jordan is an important issue that should be taken seriously by concerned authorities.

Mr. Ghzawi, who is also president of the National Population Commission (NPC), said the birth rate in Jordan was very high and threatening when compared to the available resources and leads to increased unemployment.

A report released by the NPC in September 1993 predicted that Jordan's population will reach 5.2 million by the end of the century. The report said the fertility rate among women aged 15-49 stands at 56 per cent, one of the highest among developing nations.

The report said the infant mortality rate stood at a regional low of 39 per thousand because of widespread mother and child health care services and national vaccination campaigns against childhood diseases.

The workshop, organised by the NPC in cooperation with the European Union, will discuss three main topics including birth spacing, creating balance between the number of population and the available resources, stressing women's role in economic activities and in obtaining her rights, according to NPC Secretary General Nabih Salameh.

Mr. Salameh said the NPC has drafted five documents that were studied and revised by specialists.

On Monday participants revised three papers; one on Jordanian women and development, the second on epidemics and demography, and the third on maternity deaths and diseases.

On Tuesday the workshop will study documents on maternity deaths and disease, population, environment, energy and natural resources in Jordan, and the economic and social effects of birth spacing before presenting its recommendations.

2 parties rally behind peace negotiations as others reaffirm rejection

By a Jordan Times Staff Reporter

AMMAN — Two Jordanian political parties on Monday expressed their full support for the Kingdom's peace negotiations with Israel and described the talks that opened in the southern desert frontier as a means to regain Jordanian rights.

A joint statement issued by the Jordanian National Alliance Party and the Al Ahd Party also called for strong national unity behind the Hashemite leadership of the country and for support for the government's negotiating stand "which aims at securing the return of the national rights in line with international principles."

The statement came one day after a coalition of eight other political groups issued a strongly worded statement rejecting the peace negotiations and calling on supporters to stage protest demonstrations. No such marches except a rally attended by 200 students at the University of Jordan were reported on Monday (see separate story).

The JNA-Ahd statement demanded a complete Israeli withdrawal from all occupied territories, the implementation of U.N. Security Council resolutions 242 and 338 and the realisation of the right of Palestinian refugees to return home or receive compensation in return for their lost property.

"Negotiations (with Israel) are inevitable to demarcate the border and solve the water and refugee problems," it said.

Meanwhile, the Islamic Action Front (IAF) and the National Action Front (NAF) issued a statement demanding that the government reconsider its decision to hold negotiations with Israel.

The statement asserted that "Israel is seeking a kind of peace that would only ensure its interests and not of the Arab World."

"No one has the right to concede any part of the Arab land of Palestine which contains holy shrines," it said.

The statement said occupied Jordanian land should be returned to the Kingdom but "not to be traded against other Arab land or through recognising Israel's sovereignty over Jerusalem."

"Dealing with the question of Jordanian lands east of the River Jordan means ceding all of Palestine land and considering the Israeli enemy as a natural neighbour, which is detrimental to the nation's interests," added the statement.

"Relying on U.S. guarantees to regain Arab lands and waters is something shameful because the U.S. has been supporting the Zionist enemy over the past four decades, providing funds, weapons and political protection for Israel's actions against the Arabs and Muslims," it said.

An IAF leader said meanwhile the party was shamed and saddened by the talks which opened between Israel and Jordan on Monday.

"What is taking place today (Monday) and what will follow is a source of great sorrow and sadness," Hamzah Mansour, spokesman for the front, told Reuters.

Olmert invites King to Jerusalem

OCCUPIED JERUSALEM (R) — Israel's mayor of Jerusalem said before the start of historic peace talks with Jordan in the region on Monday that he would welcome a visit by King Hussein to the Holy City.

"Should he come, he can expect a very nice reception as the head of a country that wants to make peace with Israel and as one whose family traditionally and historically has been in charge of maintaining the Islamic holy places," Ehud Olmert told Israel Radio.

He spoke hours before Israeli and Jordanian negotiators met at their border on Monday.

A Palestinian adviser to the King told Reuters on Saturday the King would pray at Al Aqsa Mosque in Jerusalem this year, but the precise date would depend on progress in the peace talks.

The adviser, Nasereddin Al Nashashibi, said he extended an Israeli invitation to the King given him by Jerusalem's former mayor, Teddy Kollek, and approved by Israeli Prime Minister Yitzhak Rabin, who will meet the King in Washington next week.

Mr. Olmert, the rightist Likud mayor who defeated Mr. Kollek in a hard-fought campaign last year, said that Israel had for years honoured Jordan's "special connection" to Muslim holy places.

Even after Israel seized East Jerusalem in 1967, Jordan's Islamic Waqf had been responsible for Muslim holy places in Jerusalem, the mayor said.

"From that standpoint his arrival to pray (in Jerusalem) certainly must be received in a natural way," he said.

Mr. Nashashibi said King Hussein was entrusted with the mission of guarding the holy sites in Jerusalem after the assassination of the King's grandfather King Abdullah at the entrance to Al Aqsa on July 20, 1951 — 43 years ago this week.

The King gave $6.5 million towards rebuilding the mosque's landmark dome earlier this year.

Seoul lambasts Kim on eve of his funeral

SEOUL (Agencies) — South Korea, trying to contain increasing expressions of condolence for North Korea's late President Kim Il-Sung, lashed out on the eve of his funeral at the Stalinist leader's role in causing the 1950-53 Korean war.

Prime Minister Lee Yung-Dug said on Monday the Seoul government would punish sternly anyone organising rites or trying to send delegates North to mourn Kim's sudden death.

"There has been a historic assessment that Kim Il-Sung is responsible for a number of national tragedies, such as the consolidation of national division and the fratricidal war," Mr. Lee told a cabinet meeting.

Officials said Seoul would soon release Soviet documents implicating Kim in the outbreak of the Korean war that killed millions and left an estimated 10 million Koreans divided across the heavily-fortified border.

The documents were handed over to South Korea by Russian President Boris Yeltsin during President Kim Young-Sam's visit to Moscow last month.

South Korea, which hopes to follow through diplomatic initiatives for detente launched in the last weeks of Kim's life, was making its first public stab at Kim since his death 10 days ago.

Diplomats in North Korea said the situation on the eve of the funeral was "absolutely normal," contradicting unsourced reports of unrest and rioting.

North Korea said Monday it had mobilised eight million Socialist youth and schoolchildren — more than one-third of the population — to eulogise Kim ahead of his funeral.

North Korea's state media, on the eve of the funeral, also carried ecstatic reports elevating the Stalinist leader's mysterious son, Kim Jong-Il, in a frantic campaign to justify the dynastic power succession, which has not yet been formalised.

The junior Kim received a loyalty oath from eight million youth and school children as they journeyed across North Korea to pay homage to Kim Il-Sung, said the Korean Central News Agency (KCNA).

The eight million expressed determination to hold "in high esteem forever the dear leader comrade Kim Jong-Il, the destiny and future of our people and remaining loyal to his leadership," the KCNA said.

Apathy masks disappointment

(Continued from page 1)

with the Israelis means I will never go home to Jaffa. He has sold us out," says Mr. Matar. He is one of nearly three million frustrated Palestinian refugees in the Arab World, who feel they have been betrayed. "I have no problem with with Peres coming here or the King meeting Rabin. I guess we have no alternative. We have to be pragmatic and make the best possible out of a bad situation."

But Mr. Matar is not sure it will bring a better life for him or his wife and two children.

"My life will not very different here in Jordan once there is peace," he says wistfully. "Maybe the economy will improve with peace and I can get a job," says Mr. Matar, seated on the floor of their cinder-block home playing with his daughter Amal.

Observers believe that overall apathy to the peace process is the best scenario the government, which has done little so far to initiate a debate on the merits of peace, could hope for.

Doomsday prophesies about Islamist and leftist opposition taking to the streets to fight such peace moves have not come true but one Islamist warned the government, which he accuses of muzzling the opposition, not to be "fooled" by the silence of the street.

Hamam Saeed, a hawkish and outspoken member of parliament from the Islamic Action Front, says the government has rejected the groups' applications to hold anti-peace rallies on more than two occasions.

"The press is one sided giving the impression that everyone is for this type of peace," contends Mr. Saeed. "The government is trying to silence the opposition. But the people will not stay silent forever."

they have become indifferent to political developments."

"The King's meeting with Rabin is not a novelty. Sadat went to Jerusalem, which of course was a tremendous shock to people; then Arafat went to Washington and shook hands with Rabin and then this event. It has lost its novelty," maintains Dr. Nasir.

Mr. Peres will hold talks with Mr. Christopher and Dr. Majali, who is also the foreign minister, at the Dead Sea hotel tomorrow — an event almost impossible to imagine even a year ago.

Many analysts and observers here believe that any opposition to the peace process and the way it is proceeding is directed at PLO Chairman Arafat rather than moves taken by Jordan.

One of them believes that Mr. Arafat's meetings with Israeli officials has made it "more palatable" for people here to accept King Hussein's bold announcement that he will meet with Mr. Rabin.

"Arafat's deal with the Israelis has opened the door for other Arab leaders to cut deals with the Israelis and hold open meetings," he says. "You have to remember that the core problem of the Arab-Israeli conflict and the most emotionally charged is the Palestinian issue. If there is any anger it is mostly directed at Arafat and the PLO for cutting a deal which ignores the fate of Palestinian refugees."

In the shop windows of the sprawling Baqaa refugee camp, some 30 kilometres west of Zarqa, there are more pictures of Iraqi President Saddam Hussein than of Mr. Arafat. And it is in this camp you can find the novel where Ali Matar was born and where he will probably die.

"The deal Arafat made

Students stage protest

AMMAN (AP) — Nearly 200 students staged a demonstration at the University of Jordan campus Monday to protest Jordanian-Israeli peace talks.

The protest, organised by students affiliated with hard-line groups, came less than an hour after Jordanian and Israeli negotiators opened their first talks in the region on territorial and water rights.

The students, many of them females wearing the traditional head-to-toe Islamic dress, stood in front of a university administrative building shouting slogans and urging Jordanian delegates to quit the negotiations.

The protesters denounced "the presence of Israelis on Jordanian soil" and demanded that "the episode of normalisation (of ties with Israel) be stopped."

The students, who dispersed peacefully as university security forces watched discreetly from a distance, also appealed to Jordan's leadership to "go back to the people and their representatives in the parliament."

"No to individualistic decision," they chanted.

Israelis shoot 4

(Continued from page 1)

urged Palestinians to escalate their uprising against Israeli troops and settlers and called upon Palestinian police in self-rule areas to turn against Israelis.

"Our battle against the Zionist occupation is continuing and will not stop. The blood of our people would not be wasted for nothing .. let everybody know that there is no other alternative to jihad (holy war)," the spokesman said.

George Habash, leader of the Popular Front for the Liberation of Palestine, said in a statement the violence "showed the real nature of the ominous Gaza-Jericho deal which divided our people into closed cantons under the full control of the Israeli occupation forces."

"The terror, killings and economic blockade will go on as long as occupation continues," he said.

A spokesman for Nayef Hawatmeh's Democratic Front for the Liberation of Palestine also condemned the killings.

"The Gaza massacre shows that the Gaza-Jericho deal could not provide a just and acceptable solution to the Palestinian people because the continuation of occupation represents a direct threat to the interests and rights of the Palestinian people," he said.

After Sunday's violence, Oded Ben-Ami, Israel's government spokesman, alleged that the Hamas movement "inflamed" the crowd and may have purposefully instigated the violence.

In a statement issued on Sunday, Hamas vowed reprisals against Israeli soldiers, saying "blood can only be answered in blood." It called on Arab negotiators to pull out of peace negotiations with Israel.

COLUMN 8

Boyfriend 'fooled' over baby abduction

LONDON (R) — A 22-year-old British woman facing charges of kidnapping an hours-old baby girl fooled friends, family and neighbours who thought the child was her own, newspapers reported Monday. The story of baby Abbie, snatched two weeks ago from a hospital maternity ward in Nottingham, central England, has gripped Britain. She was returned to her parents, Karen and Roger Humphries, Saturday and her alleged kidnapper, Julie Kelley, will be charged later Monday. "I was conned," Kelley's boyfriend, Leigh gilbert, was quoted as saying by newspapers. Speaking through a lawyer, Gilbert said Kelley told him Abbie was their baby. He said he was so wrapped up in caring for the infant that he missed the enormous coverage given to the story by newspapers, radio and television. Neighbours told how Kelley had seemed pregnant for several months. The Times said police had refused to explain how officers visited Gilbert's house four days before Abbie was recovered but failed to recognise the baby. Arguing that the case was now sub judice, the police said only that officers had been given a plausible explanation, the newspaper reported. It quoted a police spokesman as saying: "The officer did see a baby, but did not recognise her as Abbie Humphries. Publication of any further details at this stage might prejudice a fair trial."

Japanese drama takes Avignon by storm

AVIGNON, France (AFP) — A flood of Japanese actors, musicians and dancers had taken Avignon by storm at the forefront of an ambitious attempt to cement cultural ties between this historic southwest city and Tokyo. Complete with their supporters, friends and technicians, the exotic entourage is the focal point for this weekend's events in the 48th Avignon Festival. The festival runs until July 31, and a fifth of all events have been devoted to its "Japanese Programme." The organisers' long-term aim is to establish bilateral links by offering contemporary Japanese artist — at times marginalised at home — a showcase for their talents in France. Traditional Japanese drama, however, is also being staged this year. At the seven festival sites at which Japanese events are being staged, audiences will be able to sample No, the male drama form dating back to the 14th century based on codified dialogues between the living and the dead. Also on display will be demonstrations of Kyogen, the quintessential Japanese comic theatre, and Kagura, the traditional dance drama linked with the Shinto religious cult. A high point of this year's programme — but seen by traditionalists as something of a heresy — is a No piece under the direction of floral art master and movie director Hiroshi Teshigahara.

Tourists robbed at Kenyan coastal resort

NAIROBI (R) — Police said Monday armed bandits had robbed tourists and other passengers travelling on a bus near the Kenyan coastal resort of Lamu, the latest in a string of attacks against tourists. A police spokesman said about 20 bandits were involved in Sunday's attack on the bus, which was on its way to nearby Mombasa. He said the robbers had fired several shots into the air to scare the passengers. No one was hurt in the attack. Police would not say how many tourists were on the bus or release their nationalities. A local television station said one Canadian tourist had lost about 4,000 Canadian dollars ($2,900). Business leaders have complained of increased banditry on the Lamu-Mombasa Road, which is used mainly by tourists. Somalis who fled the civil war in their own country have been blamed for many of the attacks. Tourism is Kenya's top foreign exchange earner. Last year, it accounted for $432 million in foreign exchange revenue.